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An Examination of the Impact of Venture Philanthropy on the Mission of Higher Education

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AN EXAMINATION OF THE IMPACT OF VENTURE PHILANTHROPY ON THE MISSION OF HIGHER EDUCATION

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The value of a college education is not the learning of facts, but the training of the mind to think.
Albert Einstein

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GEAUX TIGERS!

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ABSTRACT

Across the United States, state legislative funding declines are forcing public colleges and universities to rapidly adjust to a variety of anticipated shortfalls in revenue. Even the most prosperous and stable universities, normally immune to decreases in funding, find themselves experiencing financial distress. To offset fiscal gaps caused by budget shortfalls and legislative decisions, university presidents are increasingly turning to fundraising as a means of filling the financial void and no donors are more poised to give transformational gifts than venture philanthropists. While the donations of venture philanthropists are highly sought, little research has been given to the potential for threats to academic freedom when universities accept these donations and far less attention has been paid to the process for what campus department solicits and accepts the donation. More pointed questions ask what it is universities are willing to give up to individuals in exchange for large donations and what are university presidents willing to sacrifice so that they can claim the title "Chief Fundraiser?"

The aim of this study is to introduce and advocate for a shared governance model for the acceptance of venture philanthropy. By utilizing Birnbaum's model of the collegial institution, this study contributes to the body of scholarly research by identifying how administrators, fundraising staff, and faculty can utilize a shared governance model for venture donation acceptance that seeks to ensure the integrity of academic freedom.

CHAPTER I

INTRODUCTION TO THE STUDY

"The principle of academic freedom is designed to make sure that powers outside the university, including government and corporations, are not able to control the curriculum or intervene in extra-mural speech."

- Judith Butler

Background of the Problem

In 2007, the Charles Koch Foundation — the charitable organization of one of the billionaire Koch brothers — offered to donate a total of $7 million to the economics department at Florida State University (FSU). In exchange for this massive donation, the foundation asked, in the words of FSU economics chair Bruce Benson, "to expose students to what they believe are vital concepts about the benefits of the market and the dangers of government failure. Therefore, they are trying to convince us to hire faculty who will provide that exposure and mentoring," (Inside, 2014). According to the FSU Faculty, the Koch Foundation was trying to influence both the curriculum and hiring of the faculty of FSU's economics department. The Kochs' influence does not start and end with Florida State - the family has managed to spread a total of $89 million around universities across the nation since 2012 (Post, 2014).

The Kochs aren't alone in their quest to influence public education. George Soros, the billionaire often described as the liberal version of the Koch brothers, has also donated large sums to American universities. This year, several schools reported receiving their largest donations of all time thanks to the contributions of Soros. Donations by the Kochs, Soros and others point to a trend: The ability of wealthy donors to influence what America's college students are taught and to design college curricula according to their own political ideologies.

In February 2016, the University of California at Irvine announced that it would walk

away from two gifts to establish endowed chairs in Hindu and Indian studies after faculty members and students raised concerns about the ideology of the donors and the influence they sought to exert in the search process (Inside, 2015).

Yale returned $20 million to Lee Bass after he requested to have the right to approve professors for the Western Civilization courses he planned to fund. Bass requested veto power over seven professor appointments. Yale took two academic years to make the decision to deny the request and return the funding (Smith, 1995).

The Koch brothers have been likened to a robber baron forefather - Andrew Carnegie. Like Carnegie, the Koch brothers have a considerable history of financially supporting efforts that disenfranchise minorities. Through their backing of the American Legislative Exchange Council and their financial support of Tea Party candidates who oppose many policies, initiatives, and laws that empower minorities, the Koch brothers highlight the danger of accepting funding from donors whose intentions are either not quite clear or are proven to disenfranchise large groups of people.

Statement of the Problem

Institutions of higher education have increasingly come under “extreme pressure to generate more revenues from all sources” to preserve their mission, support their function, and advance their interests (Duronio, 1997, p. 54). The perpetual decrease of state and federal support has forced colleges and universities to become increasingly reliant on revenue from private sources in order to recruit quality students, retain faculty and produce research (Duronio, 1990). Fostering ethical relationships is essential for preserving the integrity of the philanthropic gift economy (Fischer, 2000). Payton (1989) noted the relationship between the fundraiser and donor has often been characterized as “mutually manipulative (p.37). Further, conflicts can arise

within the process of cultivating, soliciting, and stewarding donors lends itself to situations in which doing the right thing is in conflict with the mission of the university (Anderson, 1996). Venture philanthropy continues to interest university leaders due to the potential for extremely large transformational donations, however, little research exists to suggest what motivates venture donors and what processes universities should have in place to protect them from the strings that may be attached to large donations.

Purpose of the Study

Utilizing Birnbaum's model of the collegial institution as the theoretical framework and building upon the research of Merchant (2014), this study sought to determine whether the traditional collegial model of shared governance could accommodate the emergence of venture philanthropy in a way that protects and enhances the mission and vision of university. To achieve this goal, the following research questions were identified:

1. Can the traditional university model of shared governance accommodate the process by which venture philanthropy is accepted?
    a. Can the acceptance of venture philanthropy impact the culture and norms of a university including affecting the curriculum?
    b. Can a shared governance model for the acceptance of venture philanthropy safeguard the university against threats against academic freedom?
2. Has shared governance been employed in the acceptance of venture philanthropy at two collegial liberal arts universities in the Southeastern United States?
    a. Who was involved in the acceptance of the venture philanthropy?
    b. What are the gift acceptance policies at these institutions?

The rationale for conducting this study emerges from recent and dramatic declines in

state funding for higher education. As a result of decreased revenue, universities are stepping outside of their traditional fundraising boxes to support themselves - some pandering to the first billionaire donor they can find. Universities are becoming more market driven, seeking additional external resources and doing business differently in order to meet the pressures of competition and to meet the goals of the university (Drezner, 2011).

As this study shows, universities must have a clear understanding of what impact these donations - and quite possibly the strings attached to them - will have on the university before accepting the gift. What is presented through this dissertation is an analysis of the historic impact of fundraising on higher education, a review and analysis of the motivations of venture philanthropists, a discussion of threats to academic freedom, a presentation of the collegial model as the preferred approach to the acceptance of venture philanthropy, and policy recommendations to clearly define the roles.

Method

This study was executed using a qualitative multi-case study design to approach the research. Yin (2003) advocates for multiple case studies because they are more compelling and add greater depth to the findings as opposed to using just one case study. Creswell (2007) notes that a good case study analysis employs research from multiple sources; therefore, interviews were conducted with eight different administrators, university development staff, faculty members and one venture donor as the primary instrumentation.

Theoretical Framework. This study uses Birnbaum's (1988) model of the collegial institution as its theoretical framework. Shared governance is most valued when the academy is united for a common purpose and when value is placed on faculty, administrators, and trustees participating in colleges' issues (Birnbaum, 1988). In 1966, a template for shared governance

was issued by the American Association of University Professors, the American Council on Education, and the Association of Governing Boards of Universities and Colleges (American Association of University Professors, 2012). Absent from the statement is guidance regarding shared governance in the building and maintaining of relationships with external stakeholders and Birnbaum (2003) noted that the template identified the faculty's responsibility as being primarily educational. However, Birnbaum (2003) also noted that the statement did outline the importance of faculty participation in the establishment of policy and planning.

Limitations

The most significant limitation to this study includes a lack of the attention given to the relationship between venture philanthropy and the university in scholarly research. Much of what is written regarding venture philanthropy is written about in popular media but not peer reviewed journals or published research.

Organization of Research

This study is presented in five chapters. Chapter one begins with an introduction to philanthropy and a statement of the problem, the purpose, research question, study significance, limitations, and the organization of the research. Chapter two provides a review of the literature regarding higher education philanthropy as well as a review of the limited research regarding the philanthropic behavior of venture philanthropists. Chapter three presents the methodology while Chapter four presents findings and Chapter five serves as the study's conclusion and presents recommendations, guidance and suggestions for future research.

CHAPTER II

LITERATURE REVIEW

"Philanthropy is commendable, but it must not cause the philanthropist to overlook the circumstances of economic injustice which make philanthropy necessary."
-Martin Luther King, Jr.

Since the inception of higher education in America, colleges have relied upon the private financial support of individuals in order to accomplish its mission and vision. Philanthropy was initially tied to religion and colleges were major beneficiaries of this relationship. Private fundraising reached a new level when, in 1638, John Harvard made provisions to bequeath a portion of his estate, including money and 300 volumes of books from his library to start Harvard College (Thelin, 2004). Although this gift was a generous beginning to the philanthropy movement in the early colonial colleges, financial concerns soon ensued due to the rising operational costs of the early institutions. So, in 1641, three clergymen returned to England in order to solicit gifts from individuals – these clergymen are now known as the first fundraisers in the history of higher education (Cutlip, 1990).

The impact of philanthropy on the history of higher education. Fundraisers were the catalysts of higher education philanthropy who served as the middlemen between donors and campus presidents. These men had a rare talent for gaining access to successful leaders and most early fundraisers were Protestant clergy or had been active in organized church work before devoting themselves to fundraising. A key figure between 1880 and 1910 was Frederick Gates who represented the connections between old time religion and modern philanthropy. Gates was secretary of the Baptist Education Board and the son of a Baptist minister. Among his early fundraising successes, he influenced the Pillsbury family to donate a portion of their wealth in

support of a Baptist academy in Minneapolis. Gates worked with William Rainey Harper and Thomas Goodspeed to persuade John D. Rockefeller, Sr., to consider funding for a new University of Chicago (Thelin, 2004).

Gates described his work in colorful terms and often called soliciting for funds fishing expeditions. Gates referred to prospective donors as game and a prospective donor on the brink of committing a substantial sum was a big with a gift. Other times, he referred to benefactors as victims. Gates' 1890 memo on the Rules of Procedure for fundraising captures the combination of serious business and his fondness for the hunt that characterized what he called canvassing for a gift. Gates started his memo with advice on grooming as well as style and method. His approach evidently worked well as donors discussed Gates as "he is one of us" (Thelin, 2004. p. 125).

Another pioneer was Holland McTyeire, a Methodist minister who combined his clerical calling with philanthropic fishing expeditions. His prized fish was Cornelius Vanderbilt - a man notorious for turning away fundraisers; Vanderbilt once presented an unfortunate fundraiser with a one-way ticket to Central America. McTyeire was bishop of the Methodists in the South and met Vanderbilt by chance in New York. After much courting, McTyeire won Vanderbilt's admiration and respect. This relationship brought about many firsts for higher education fundraising; first, McTyeire advanced the notion that building a faith based institution was akin to building a church. Second, he convinced Vanderbilt that a university would be a much more fitting symbol than a single seminary building and third he argued that the founding of a Methodist university in the South would be an effective gesture toward healing the wounds left by the Civil War. As a result, Vanderbilt University was formed as a university with a Methodist affiliation, including a seminary along with an undergraduate college, graduate schools, and

professional schools. Vanderbilt's only stipulation was that McTyeire must be the chancellor of the new university. Because of the bond created between the two, Vanderbilt did not interfere in the operation of the university and never once visited the campus (Thelin, 2004).

Devout donors in England were extremely intrigued by the prospect for missionary work among American Indians and were financially generous in their support of programs designed to provide a Christian education to those who were considered savages. Resourceful college fundraisers were adept at marketing these good works and often indicated to donors that good works – specifically support for a college "might help one to a place in heaven," (Thelin, 2004, p.16). Specifically, resourceful college officials were adept at gaining permission to implement flexible interpretations of wills and bequests. One of the best illustrations of this was the estate of wealthy Englishman Sir Robert Boyle. Boyle's will designated that rents from his estate were to be used to support charitable works. The executor of the estate had license to define this directive as including scholarships for Indian students in the wilderness of America. Representatives of two colonial colleges - Harvard and the College of William and Mary - were very eager to let the executor know that their colleges were immediately available to help carry out Boyle's wishes. In addition to scholarship funds, each college also claimed a sum for operating expenses. Later, college officials argued that the scholarships could also educate college students who trained to be missionary teachers among the Indians (Thelin, 2004).

Assessing the motivations of early donors is not easy. Some, such as John Harvard are depicted as devout and focused on spiritual reward while the rewards of some donations were more earthly in nature. In London, for example, three pirates agreed to give the College of William and Mary a gift worth 300 shillings in return for being spared the gallows. At best, a donor could hope for both earthly fame and spiritual salvation. Elihu Yale captured this notion

when writing to describe himself before his death in 1721 (Thelin, 2004. p. 16):

> Born in America, in Europe bred, in Africa travell'd, and in Asia wed, where long he liv'd and thriv'd at London dead. Much good, some ill he did; so hope all's even, and that his soul, through mercy's gone to heaven. You that survive, and read, take care for this most certain exit to prepare: For only the actions of the just smell sweet and blossom in the dust.

The early American economy was not able to sustain long-term support for colleges, thus this financial commitment was found in the Old World, mostly through donations from Britain. At first, England was the only reliable source of philanthropy with Englishmen John Harvard and Elihu Yale becoming the first private benefactors of collegiate education in New England (Drezner, 2011). Jeremiah Dummer, a Harvard alumnus, was appointed the colonial agent for Massachusetts and Connecticut and in this role he solicited donations for what was then Collegiate College in New Haven, eventually gaining the support of Elihu Yale. In order to convince Yale to support the institution, he wrote, "that the business of good men is to spread religion and learning among mankind' (Kelley, 1974. p. 24). Yale eventually agreed to aid the college with nine bales of hay, 417 books, and a portrait of King George I (Kelley, 1974). While this was a small donation, the school's trustees changed the institution's name to Yale College as a sign of both gratitude and hope for additional gifts from this new patron. Much to the college's disappointment, Yale's will did not mention to the college. Unknown to officials at the time, Yale never considered the college to be among his primary interests (Thelin, 2004). Religion also probably paid a role, "as an Anglican he had reservations about being benefactor for a college that represented a dissenting denomination" (Thelin, 2004. p. 17).

The colonial colleges - Harvard, William and Mary, Yale, Dartmouth, Brown, Columbia,

Rutgers, Princeton, Pennsylvania, and Delaware received many smaller gifts than Yale's from donors who understood the importance of higher education in the new colonies. "The colonial colleges were...saved by the development of widespread interest in higher education, interest intense enough to impel thousands of individuals, both in America and in the British Isles, to make cash gifts aggregating a very considerable amount" (Cutlip, 1965, p.5). According to Thelin (2004), colonial colleges were lean operations. Salaries were marginal - often less than the wages for artisans and positions were scarce. Colleges were dependent in part on paying students. When Samuel Johnson wrote an advertisement for the opening of King's College in 1754, he wrote about the college's aim to "teach and engage the children to know God in Jesus Christ, and to love and serve him in all sobriety, godliness, and righteousness of life" closing with, "the charge of the tuition is established by the trustees to be only 25 shillings for each quarter," (Thelin, 2004. p. 18).

The American Revolution marked the end of the relationship between colonial colleges and British philanthropists such as Harvard and Yale. The colleges that developed cultures of philanthropy since their founding, however, were still successful at raising funds and furthering the culture of philanthropic giving toward their institutions. Even with the limited resources for education, this was a period of increased growth. The most successful colleges were those that were the most accomplished at raising funds (Rudolph, 1962). The need for support even made it into university songs and hymns. The first verse of the Harvard Hymn, written by James Bradstreet Greenough, Harvard class of 1856, and sung at every commencement in Latin says: "Deus omnium creato, rerum mundi moderator, crescat cuius es fundator nostra universita...largiantur donatores benepartas copias," translated to, "God is the creator of everything, controller of the things of this world, may that of which you are the founder grow,

our university...may the donors supply their well-gotten abundance" (Drezner, 2011).

Gifts to universities were not always altruistic in nature, however. Along with these gifts to the colonial colleges came expectations of influence from the donors. From nearly the beginning of individual giving to the colleges, donors influenced decision making at the colleges they supported, thus, creating a battle between college and donor over who had the right to define the curriculum and to pick the scholar to occupy the chair (Thelin, 2004). One of the first examples of this was Thomas Hollis. At Harvard in 1721, Hollis funded the very first endowed chair known in American higher education (Drezner, 2011). Through this donation, Hollis sought to spur institutional change and solidify Harvard's commitment to the study of religion. With his donation, Hollis, a Baptist, stipulated that Harvard may not have a specific doctrinal requirement of the professor appointed to the position. He specified however, that the professor be of "solid learning in divinity, of sound, or orthodox principles, one well gifted to teach, of a sober and pious life, and of a grave conversation" (Bradford, 1837, p. 350).

After 1850, most colleges continued to be dependent on small but essential gifts from their communities. Many viewed their local college as indispensable, so citizens and town governments were a popular target for solicitations by college officials. Fundraising by college presidents and their agents were reasonably successful during this period. Instead of individuals making large donations to help found a denominationally based college, religious groups used highly organized methods to raise and distribute money for college building across the nation. Such efforts resulted in the New England college model being introduced from the Midwest in the form of Cornell, Lawrence, and Carleton all the way to California at Pamona College (Thelin, 2004).

Quietly, between 1850 and 1890, substantial philanthropy was changing American higher

education. Large gifts in the form of foundations, trusts, and estates became a potent vehicle for innovation. Abbot Lawrence of Boston, gave substantially to Harvard endowing facilities that ranged from a scientific school to a museum. Bequests from manufacturers transformed Amherst and Williams into financially sound institutions (Thelin, 2004).

Women's colleges were major beneficiaries of this new philanthropy. Ironically, fundraising for these colleges was successful because they were not considered mainstream (Thelin, 2004). Because women's education was not popular among many, it relied on the intense commitment of "maverick donors" (Thelin, 2004). Wealthy Matthew Vassar used his fortune and $1.25 million to start a women's college in New York, relishing the idea that his unusual gift would make a difference and he continued to contribute to the college's projects long after its founding (Thelin, 2004). Smith College was founded as a result of a bequest of Sophia Smith for "the establishment and maintenance of an Institution for the higher education of young women, with the design to furnish for my own sex means and facilities for education equal to those which are afforded now in our Colleges to young men." The will further stated, "It is my opinion that by the education of women, what are called their 'wrongs' will be redressed, their wages adjusted, their weight of influence in reforming the evils of society will be greatly increased, as teachers, as writers, as mothers, as members of society, their power for good will be incalculably enlarged," (Drezner, 2011). As a result of her donation, Smith was chartered in 1871 and opened in 1875, giving women access to higher education in a way they had never had before. Other pioneering donations included those from the Durant family that led to the founding of Wellesley and gifts totalling $3.5 million from Josephine Louise Newcomb to the college that would become Tulane University (Thelin, 2004).

Inspired by giving to education for women, new forms of philanthropy began to rise:

foundations and funds whose emphasis was on issues and constituencies, not just individual institutions. One particularly notion was that of long distance philanthropy among the Northern wealthy to the Reconstruction-era South. Berea College in Kentucky, an institution committed to coeducation of the races was one example of long distance Northern philanthropy. Others were the Peabody Education Fund for educational assistance to the South and the 1882 John F. Slater Fund for the Education of Freedmen (Thelin, 2004).

Unlike the establishment of colleges for women, the philanthropic support of colleges for blacks by whites was very complicated (Drezner, 2011). Protestant groups such as the American Missionary Association (AMA) displayed great commitment to the education of African Americans and was central to the founding of Hampton Institute, Fisk University, Howard University, Atlanta University, and Talladega College. The rapid increase in funding for the education of black students via the AMA as well as through the Slater and Peabody foundations was met with debate regarding the black colleges' emphasis on the liberal arts relative to the industrial arts and applied fields. This position was reiterated by W.E.B. DuBois in his call for a truly higher education for the "talented tenth" of the black population. However, for black colleges, a practical education usually carried the baggage of race combined with "socioeconomic tracking within an increasingly industrialized economy" (Thelin, 2004. p. 102). Black colleges were not preparing their graduates for professions and fields associated with leadership and genuine power, but were keeping with the Northern large-scale philanthropy agenda of educating blacks in segregated institutions whose curriculum offered preparation for crafts and trades designed to make education for African Americans part of a plan for regional economic development "within the confines of a conservative, racially segregated social and political structure" (Thelin, 2004. p. 102).

Gasman and Drezner (2009) suggest that “within the uneven and generally out of date literature on the history of philanthropy and fundraising in higher education, there has been much attention paid to white industrial philanthropists and their support of black colleges during the late 19th and early 20th century” (p.468). Some contend that wealthy businessmen supported these institutions as a means of benevolence (Curti and Nash, 1965). For example, Jencks and Riesman (1967) found that the white industrial philanthropists who supported the establishment of black colleges were altruistic and not motivated by their own personal gains. “Rather than assuming a Machiavellian plot to support ‘Uncle Toms’ like Booker T. Washington against ‘militants’ like W.E.B. DuBois we would argue that the Northern whites who backed private colleges for Negroes were moved by genuinely philanthropic motives,” (Jencks and Riesman, 1967, P. 16). Revisionist scholars observe efforts of these philanthropists as more of a self-serving business strategy aimed at controlling the southern labor market (Drezner, 2011). Anderson (1988) contended that the industrial philanthropist’s “philosophy was that higher education ought to direct black boys and girls to places in life that were congruent with the South’s racial caste system as opposed to providing them with knowledge and experiences that created a wide, if not unlimited, range of social and economic possibilities,” (p. 248). Anderson and Moss (1999) argued a more neutral view drawing on the religious commitments of the philanthropists and how beliefs influenced their capitalist mentalities. Anderson and Moss acknowledged that although northern philanthropists did accept the South’s caste system, they argued that the “philanthropists had a vision of race relations and black potential that was significantly different from the ideas of the South’s white majority,” (p.11).

Although white industrial philanthropists gave large sums of money for the establishment and support of black colleges, blacks supported these institutions as well, particularly through black

churches. Ellison and Sherkat (1995) found that "throughout American history, the Black church has occupied a distinctive position in the individual and collective lives of African Americans" (p.1415). One form of this distinctive position is the ability of the church to fundraise through its members. Jones (1982) pointed to the historic connection between black church denominations and the development and support of black schools, specifically the power and agency of the clergy in the raising of money. "By 1900 Baptist bodies were supporting some 980 schools and 18 academies and colleges. The African Methodist Episcopal (A.M.E.) church raised over $1,000,000 for educational purposes between 1884 and 1900 and supported 22 institutions providing education above the elementary level. At the turn of the century, the A.M.E. Zion church supported 8 colleges and/or institutes," (Jones, 1982, p. 400). Beyond church support, large collective and individual movements occurred to support black colleges outside a religious context.

The United Negro College Fund (UNCF) established in 1944 was founded to solicit donations from individuals, corporations and foundations to support thirty-nine HBCU members through scholarships and internships for students at hundred of institutions and faculty and administrative professional training. Then-president of Tuskegee Institute Fredrick D. Patterson founded the UNCF after calling on his fellow private black college presidents to coordinate their own fundraising (Drezner, 2011). Patterson believed that private HBCUs would be more successful as a group rather than as individual institutions (Gasman, 2007). Gasman contended that "initially the UNCF seemed to be the perfect example of Black college agency: an organization started by blacks on behalf of black institutions. The real story is considerably more complex (p. 3). Gasman portrayed an organization led by blacks but controlled by white philanthropists who held the purse strings. As a result of the black consciousness movement of the 1970s and the

growing black middle class, black colleges began to emphasize hiring black fundraisers as a means to push back against the demands of white philanthropists and began truly leading the UNCF and the fundraising efforts of their own institutions (Gasman 2007).

Gasman and Drezner (2008, 2009, 2010) reviewed the work of the Oram Group, a for-profit fundraising firm hired by individual black colleges in the 1970s. Gasman and Drezner (2009) found that the "combination of Black agency and the knowledge, access, and progressive views of the Oram Group were of utmost importance to the ultimate success of the campaigns" (p.470). It was a new kind of relationship - particularly for the UNCF which had a predominately white fundraising staff until the 1970s (Gasman 2007). Through the Oram Group, black college fundraising moved from a "conservative and non controversial approach" to a progressive one that focused on social justice and the unique mission of black colleges (Gasman and Drezner, 2009, p. 470).

World War I brought about a dramatic change in the relationship between fundraising and higher education. Although the United States made a relatively late entrance to World War I, its commitment was significant. Student enlistments varied by campus and participation was especially strong on the East Coast. At Harvard and Yale enrollments dropped by 40 percent in a single year with Princeton and Cornell showing declines of 35 percent and 27 percent. On the West Coast, approximately 10 percent of the students at Stanford left school for military service. College presidents on both coasts and in-between expressed outward support for the war effort and private concern for the impact of the war on campus budgets. President Woodrow Wilson created the Student Army Training Corps (SATC) to establish on-campus training programs for cadets and officers that were funded by the federal government and provided extremely generous compensation and facilities construction funding to 540 cooperating colleges.

The SATC smoothly connected the campus to the larger national war effort and transformed how the American public saw the campus (Thelin, 2004). While the SATC provided a seemingly ideal solution to a decrease in enrollment and tuition, the program had a tremendous effort on universities. Between 1916-1918, Harvard's enrollment had declined from 4,976 to 2,998 representing a decline of $400,000 in tuition income (more than $5 million in 2010 dollars). By accepting the SATC and its funding, Harvard's instruction was slanted toward support of military policies, customary courses were suspended in favor of practical studies and it was concluded that the program had intruded on regular college studies to a troubling degree. A partnership that "would fuse military training with liberal education and simultaneously keep colleges operating financially, turned into yet another necessary evil for academics" (Thelin, 2014. p. 201).

Post World War I brought about a tremendous wave of industrialism to campus. The building of large football stadiums were symptomatic of a shift away from colleges being an elite experience. The United States was edging closer to a commitment to mass higher education, a goal fueled by the expansion of public secondary schools. The increased number of high school graduates created a large new pool of college applicants. Between World War I and World War II, enrollment increased from 250,000 to 1.3 million. Where, in 1917, fewer than 5 percent of Americans attended college, over the next two decades, that number increased to 15 percent. In 1937, *Life* magazine described the phenomena as (Thelin, 2014. p. 206):

> This growth has moved the centre of educational gravity from the Atlantic seaboard to the Middle West. It has made 80% of higher education coeducation. It has changed the campus from a scholarly retreat to a new and fabulous design for four years' living. It has caused colleges to expand and multiply until their

> mere bricks and stone is worth two billion dollars. Behind this investment is tremendous faith in the benefits of higher education. This faith is a cornerstone of any democratic philosophy, the pith and kernel of what writers since Jefferson have called the American Dream.

Large-scale philanthropy was still evident during this era and large post World War I fortunes were being used to construct new campuses. A $20 million gift from tobacco and utilities fortunes transformed Trinity College into Duke University. New wealth from Coca-Cola soft drink profits allowed the Candler and Woodruff families in Atlanta to energize Emory University and the University of Pittsburgh's campus was equally affected by generous gifts from wealthy benefactors. This swelling of institutional pride and alumni loyalty enabled relatively new universities to claim a share of the prestige that was once the domain of universities such as Harvard, Yale, Princeton and Columbia (Thelin, 2004).

Understanding Donor Motivation. According to the 2009 report, "Understanding Donors' Motivations from the Center on Philanthropy at Indiana University, the motivations for charitable giving can vary significantly from donor to donor. Data from the Knowledge Networks (KN) 2007 Charity Survey (n=10,000) found varying motivations for giving. After controlling for factors such as age, race, and marital status, only income and education were statistically significant predictors of the probability of selecting a particular motivation. When looking only at regional variations in motivations (without controlling for other factors), differences were found in the selection of motivations for giving by region (The Center 2009).

The KN Charity Survey was fielded in 2007 and asked respondents to report their charitable giving for 2006. The survey was conducted using a nationwide online panel representative of the U.S. population. Panel members answered, on average, three surveys a month and were familiar

with survey methods. Households without Internet access received equipment that allowed them to access surveys using their television. The total number of respondents was 10,003 with a response rate of 65 percent. Survey results were categorized into seven regions across the U.S.: the Northeast, Great Lakes, Midwest/Plains, Atlantic, South, Mountain, and Pacific. Respondents were asked to identify statements that correspond with their motivations for giving and it first asked each respondent to report which three of 13 statements were most important to them in their goals for charitable giving. From those three, the respondents selected one that was most important in deciding to whom and how much to donate. The key words of motivation were: basic needs, poor help themselves, same opportunity, for equity, problems in the world, services government can't/won't, make community better, support friends and family, make world better, own decision about money, diversity, ties across communities, and other (The Center 2009).

A chi-squared statistical analysis was used to test for differences between groups in addition to Probit regression analysis. Probit regressions allowed for testing of the study's hypothesis that region and income were important characteristics when understanding differences in donor motivation. The study's Probit regression models tested region, income, and education on the probability of being motivated by each of the top five motivations from the dataset while controlling for other variables such as demographics, socioeconomic status and religiosity (The Center 2009).

Key motivational findings from the report revealed that providing for the poor's "basic needs" such as food and shelter was the most frequently reported motivation for giving for every region except the Midwest and an interest in "building ties across the community" and in "diversity" were the two least-cited reasons for giving, reported by 0.7 and 1.6. Donors in the

Great Lakes region were significantly more likely to select “basic needs” than were those living in other regions (p<0.001). Helping the “poor help themselves” was the second most frequently cited motivation by donors in the South, Atlantic, and Great Lakes. The South had the highest percentage of donors who reported this factor as motivation. Donors who selected “basic needs” as their most important motivation for giving tended to give a lower average amount to charity than did donors who selected other motivations - this is particularly true of donors in the Northeast and Mountain regions. Donors from the Pacific region were significantly more likely to report being motivated by “problems of the world” than those in other regions (p<0.001).

Higher income donors with income greater than $100,000 were significantly less likely to report “basic needs” or helping the “poor help themselves” as a motivation for giving, even after controlling for age, education, and marital status. Lower income donors with income less than $50,000 were more likely to report ““basic needs” or helping the “poor help themselves” as a motivation for their donation. “Basic needs” or helping the “poor help themselves” as a motivation for giving were the most frequently reported motivations by donors with a high school education or less while donors with at least some college education were significantly less likely than those without any college experience to select “basic needs” or helping the “poor help themselves” as a motivation for giving even after controlling for factors of age, race, marital status, and household annual giving (The Center 2009).

Other motivational findings of the study revealed that being motivated to “make community better” was the third most frequently reported motivation for giving and was particularly important in the Midwest (42.4 percent). Higher income donors (38.8 percent) were more likely than lower income donors (34.2 percent) to report “make community better” as a motivation for giving while donors with college degrees (41.4 percent) were significantly more likely than other

donors to chose “make community better” as a motivation. Consistent among all regions was the motivation to “make the world a better place to live.” Concern for “making the world a better place to live” was the second most cited motivation for giving by higher income donors (36.5 percent) while middle income donors (37.5 percent) were more likely than those at other income levels to report his need as a motivation for giving - a statistically significant difference. Donors with postgraduate education were significantly more likely than those with high school education or less to cite being motivated by “making the world a better place to live,’ even after controlling for other factors.

While universities will accept any size donation, it is large donations that have the ability to transform a campus and perhaps the mission. The 2014 U.S. Trust Study of High Net Worth Philanthropy examined the giving patterns, priorities, and attitudes of America’s wealthiest households for the year 2013. Conducted by the Indiana University Lilly Family School of Philanthropy, the study is a continuation of the 2006, 2008, 2010, and 2012 reports and tracks the philanthropic activity of wealthy behas to include giving patterns, perceptions, motivations, decision-making, strategies, values, traditions, volunteering, and demographic dimensions. The study represents data gathered from a 16-page survey to 20,000 high net worth donors in America’s wealthiest neighborhoods. Only households with incomes greater than $200,000 and / or net worth of more than $1,000,000 - excluding the monetary value of their home - were included in the analysis. The national random sample of the study is 630 (U.S. Trust, 2014). Scantron mailed and received questionnaires from April 2014 to September 2014: 741 surveys were completed via paper and 115 were completed via the web while Scantron reported 385 bad addresses and 18,759 “no response.” The response rate was 4.3 percent when undeliverable surveys are excluded. For this study, P>.05

According to the study, almost all - 98.4 percent - high net worth households gave to charity in 2013, an increase from 95.4 percent in 2011. 65.4 percent of the U.S. general population reported charitable giving in 2008. Most high net worth households were likely to give to higher education education (73.1 percent) and categorized education as the most important current policy issue (56.0 percent). The average donation total was $68,580 - an increase of 28.1 percent from the 2011 average of $53,519. When making their donations, almost four times as many households made an unrestricted gift (78.2 percent) as opposed to a restricted gift (20.1 percent) (U.S. Trust, 2014). Most wealthy households in the study (72.5) had a giving strategy and slightly higher net worth households monitor or evaluate the impact of their giving (53.4 percent) than do not (46.6 percent).

Most recently, conversations regarding philanthropy have overwhelmingly been dominated by discussions about the philanthropic behavior of women. Six generations of women have passed through American colleges and universities since the doors of higher education were opened to them and yet their financial impact on the system is just beginning to be researched and defined. It was the charitable contributions of individuals that helped support the education of women. What may have taken years to accomplish by the national or state government was historically accomplished through a single act of philanthropy.

There are many opinions about women as donors, but very little empirical data. Although discussions have dominated what we know about the individual giving behaviors of women, few scholarly efforts have been directed toward developing a basis for predicting and understanding their giving behavior (Mosser, 1993). The prevailing perception of women's giving is that women are more likely to give, but they give in smaller amounts than men (Women Give 2010). Research also indicates that women tend to give to organizations that have had an

impact on them or someone they know personally. Subsequently, much empirical research indicates that men and women exhibit different charity choices and patterns of donating money, but this research is terribly inconsistent (Women Give 2010).

In a study of data from the 1995 Midlife in the United States (MIDUS) survey given to a nationally representative random sample of non-institutionalized, English-speaking adults aged 25 to 74 in 1995., C.J. Einolf (2011), predicted that women would score higher than men on measures of the psychological traits, motivations, and values that predict charitable giving and volunteering. According to the data, women did score higher than men on measures of pro-social traits, motivations, and values. Women scored significantly higher than men on agreeableness, subjective religiosity, pro-social role identity, and sense of moral obligation. Although there was no statistically significant gender difference in generative concern, men did not score higher on any of these measures. Einolf (2011) found that men possess only a slight advantage over women in areas of resources and social capital, whereas women possess a large advantage in pro-social motivation. Because of these results, Einolf suggested that women would do significantly more formal helping work than men, and although this was true for volunteering, it was not true for charitable giving. According to Einolf (2011) the lack of difference in giving is sensible because the motivational factors upon which women have an advantage have a weak or insignificant relationship with giving, while the factors upon which men have an advantage (income, education, and participation in voluntary associations) have a strong and significant relationship with giving. Accordingly, men’s advantage in resources and social capital balance out women’s advantage in motivations, so men’s and women’s contributions to charitable giving are similar.

Using a sample of 185 Fortune 500 Firms, R. Williams (2003) examined the relationship

between women on the firms' boards of directors and the extent to which these same firms engaged in charitable giving activities. The results supported the theory that firms having a higher proportion of women serving on their boards engaged in charitable giving to a greater extent than firms having a lower proportion of women serving on their boards. The results also suggested a link between the percentage of women on boards and firm philanthropy in the areas of community service and the arts, but found no link between women board members and firm giving to support education or public policy issues.

Williams, citing a Gutner study (2000), revealed several characteristics about women and their motivation to give to charity. According to the study, women reported to favor new projects over existing causes, to favor funding specific projects rather than unrestricted gifts, and to gravitate to scholarships and social programs. Women also reported to be more responsive to giving in a crisis situation than men and women tend to view charitable giving as a means to help others and the community at large, and as a way to express gratitude and their moral beliefs. It was also observed that women, more so than men, desire updates on how their charitable dollars are being used, and that women tend to view charity as a means to secure additional friendships and involvement in the community.

The first report of Women Give 2010 (Women Give 2010), reported difference in giving to charity between male and female single-headed households across income levels. The report revealed that in every income group from the lowest quintile ($24,000 or less) to the highest quintile (>103,000), female-headed households were more likely to give to charity. In every income group except one, women gave more than men (almost twice as much) and when comparing females to males by single status, women were more likely to give and give more than men – except for widowers who gave more than widows.

There are two major studies that serve as the foundation for women and philanthropy. First, Sondra Shaw and Martha Taylor conducted a series of focus group interviews with 150 women donors and development administrators for a better understanding of women as donors. In their book, *Reinventing Fundraising: Realizing the Potential of Women's Philanthropy (*1995) the authors found six motives for giving based on their research: Women give to expedite rather than preserve the status quo, women donors give to set a creative process in motion with their gift and watch it unfold, giving may be just the beginning of a woman donor's relationship with her institution or cause followed by a commitment to serve, volunteer work precedes a financial gift, women generally work effectively with others to solve problems and enjoy being part of a larger effort to shape society, and women feel as though giving should be fun and creative (Shaw & Taylor, 1995).

The second study, by the University of California at Los Angeles conducted a focus group study with 76 women donors. The authors found eight central themes that defined women's giving. First, women were influenced by an ethic of personal commitment; women are influenced by a moral belief in the organization or issue involved. The authors also found that women who gave to UCLA had a history of giving with their family, they wanted to pass on the spirit of giving to the next generation, women want to give their time first, they want to effect change and want to know the impact their gift will make on the things they support. The researchers also found that women want to know that when they make a donation that they will be recognized – not their husbands. In addition, women want to see the benefits of their donation while they are still alive and women want to make a difference in the lives of others (von Schlegell & Fisher, 1993). As suggested by von Schlegell & Fisher (1993, p.16), "There is a dearth of clear, empirical data about why women contribute to charity. The role women play

as donors is just beginning to be understood."

The research on general donor behavior is varied – some research suggests women to be less inclined to donate than men, while other research suggests women to be the primary philanthropic force in the household. According to a study by Lee & Chang (2007), giving to charities takes to major forms: time and money. In the study, the researchers explored whether donors/nondonors can be distinguished using demographic, socioeconomic and psychographic variable suggested by literature. Data was collected through 730 telephone surveys and the results indicated that determinants affecting volunteering were mostly intrinsic while those for monetary donations were mostly extrinsic. Additionally, educational level and income were the most useful to explain and predict monetary donation amounts. Married people were found to be more involved with voluntary services than those unmarried and older people were more likely to donate than their younger counterparts. Females were more likely to donate than males and people with one or more children had a strong positive association with the likelihood of monetary donation. In addition, the higher a participant rated himself/herself as empathic, the more likely it was that he/she would opt for donating money.

Andreoni, Brown, and Rischall (2003), in their study of household surveys by the Gallup Organization measuring volunteering and charitable giving by 2,560 married couples, found that decisions are generally made in favor of the husband's preferences. Additionally, women spread their giving dollars more thinly than men while men appear to have a greater tendency to concentrate their giving. However, when coupled decide jointly on charitable contributions, the concentration is not significantly different from when males decide alone, but is significantly different from when females decide. When donating, the study found that wives give much more to health and human services than religious organizations. The researcher's analysis found that

the probability that the wife controls giving decisions decreases when her husband earns more than she does or is more highly educated than she is.

Campus Philanthropic Behavior. Holland and Miller (1999) developed a study to be used as an exploratory effort to profile faculty donors at different types of institutions and to determine if motivations for giving differ based on work environment expectations. The study results did produce some significance between the institutions' faculty, the more revealing find was the overall lack of agreement with any motivational factor presented in the study. Only one motivator of 33 was agreed to by any of the faculty groups (institutional loyalty with a mean of 4.0 by liberal arts faculty), with the majority of items being rated in the neutral to disagree range. The conclusion drawn from the study can be that either faculty are not certain why they give or that they disagree with the body of research literature on giving that was used by Holland and Miller to create the instrument. The study findings did support the construct that faculty support their employing institution out of loyalty rather than in exchange for a product or benefit and faculty give because of their professional attitude toward responsibilities as scholars.Increasing private fundraising is a key strategy for colleges facing tough choices of downsizing, relocating funds, or cultivating nontraditional sources of revenue in difficult economies; however private fundraising is becoming increasingly more difficult – even among the institution's own alumni. In a study by John List (2004) of the giving behavior of alumni at a Florida College, 2,000 campaign solicitation packets were sent to 55.2% male head of households and 44.8% female head of household. In total, 4.6% of individuals solicited donated to the campaign with 45 women donors and 45 male donors responding. The average donation for women was $.99 while the average gift for men was $.96. The average gift differences among men appear to be greater than the behavioral differences among women – the average gift differences among

young and mature men was $1.53 while the average gift difference among women was only $.80. With men's rates of giving and gift size showing much larger increases over time than women's, the results of the study may also indicate that age significantly affects the donations of male alumni. This finding could be significant for fundraising programs in the future. As society grows older the demand to understand the preferences and values of more mature individuals becomes increasingly important for males, but perhaps not for females.

The original robber barons. During the period between 1870 and 1920, the gross national product of the United States increased more than sixfold as revolutions in transportation, communications, and manufacturing sparked economic growth (Bremmer, 1998). Large industrial organizations emerged and while their power presented significant challenges for social policy, the wealth of their leaders enriched an unprecedented number of millionaires and multi-millionaires whose contributions to higher education prompted an enormous increase in philanthropy around the nation.

Andrew Carnegie sold his steel companies for $480 billion in 1901 and founded the Carnegie Institute of Washington in 1902, the Carnegie Foundation for the Advancement of Teaching in 1905, while John D. Rockefeller gave $447 billion to endow the Rockefeller Institute of Medical Research in 1901, the General Education Board in 1903, the Rockefeller Foundation in 1913, and Laura Spelman Rockefeller Memorial in 1918. During this period of public declaration of wealth, Johns Hopkins bequeathed $3.5 million in 1873, Leland and Jane Stanford donated $20 million in 1885 and the $5.5 million donated by Ezra Cornell from the proceeds of New York's land grant scrip were all donations to establish institutions bearing their names. While many benefited from the charitable contributions of a few, Karl and Katz (1981) suggested that the dominance of a few wealthy individuals who earned their money from other than honorable ways

to dictate the future of American public life and education was an undemocratic process. The term *robber baron*, a reference to the feudal system of kings and serfs in medieval Europe, was coined in 1859 by *New York Times* editor Henry J. Raymond as he compared Cornelius Vanderbilt to the medieval German barons who extracted tribute from all passengers sailing the Rhine River (Martorelli, 2012). The robber baron concept was furthered when, In 1869, Edwin Lawrence Godkin, editor of *The Nation*, in 1869 when he wrote to a small but influential readership on the exploitation by these barons of workers as they amassed great fortunes for themselves. Just two years later, Charles Francis Adams and Henry Adams detailed numerous occasions of corporate malfeasance by Jay Gould and other unscrupulous businessmen in *Chapters of Erie and Other Essays.* An in 1894, Henry Demarest Lloyd described monopolies, corners, combinations and other tools used by these industrialists to gain unfair competitive advantages in his *Wealth Against Commonwealth* (Martorelli, 2012). The term gained national popularity in 193 during the Great Depression when Matthew Josephson authored *The Robber Barons* (Sauers, 2006).

Typically, philanthropy is categorized as a charitable act, a gift, or an organization that dispenses such gifts. Rarely are these gifts thought of negatively. History, however, tells a story of mistrust of philanthropy and those behind it. Critics of higher education philanthropy point toward ulterior motives underlying the gifts of philanthropists and question whether donations serve the philanthropist more than the recipient. Other critics question the amount of control philanthropists gain once their benefactors become dependant on them and still others have drawn attention to the unethical business practises of the corporations behind the philanthropies, questioning, “how can tainted money promote good?” (Gasman, 2002). One of the most divisive periods of philanthropic mistrust involved the relationship between foundations and higher

education during the early 20th century.

In the post-Civil War era, northern industrialists provided financial support to black colleges. Initially, they supported industrial education which provided manual training and skills. An early example of the hesitation to accept these philanthropic donations for the purposes of a prescribed curriculum points to W.E.B. Du Bois and served as the foundation of his well known and often misunderstood debate with Booker T. Washington. DuBois advocated a liberal arts education for at least a "Talented Tenth" of the black population in order to create an intellectual elite that could advance the civil rights of all black people. Washington urged the majority of blacks to work within the system of segregation in the South and believed that blacks should be committed to economic improvement and eventually civil rights would follow. Du Bois was not opposed to industrial education but believed in a liberal arts education to produce thinkers and leaders. In Du Bois' opinion, what was most unsettling about Washington's argument was his willingness to be a pawn to the northern philanthropists and southern whites. Louis Harlan noted that Washington, "frequently played upon the desire of southern whites to have a docile, subordinate, black population and the desire of northern capitalists to have a skilled tractable, and hard-working black laboring class," (Harlan 1983).

In the second decade of the twentieth century, the industrial philanthropists concentrated their efforts on a few elite institutions such as Fisk University. Du Bois witnessed the impact of philanthropy on the curriculum at his alma mater, Fisk, and was not convinced in the change of direction, writing, "Education is not and should be be a private philanthropy: it is a public service and whenever it becomes a gift of the rich it is in danger," (Harlan 1983).

Perhaps the tipping point for the Du Bois philanthropy relationship was his inability to attain funding for his project, *Encyclopedia of the Negro*. Unable to secure funding from

philanthropists such as Andrew Carnegie, the Rockefeller General Education Board, and the Phelps-Stokes Fund, Du Bois grew increasingly frustrated and leery of the goal of higher education philanthropy and Thomas Jesse Jones, the Phelps-Stoke's education director, described DuBois as "the definition of brilliant troublemaker bloated with racial pride and devoid of political common sense," (Lewis 2001).

In 1911, Du Bois took aim at white philanthropy and its role in the education of blacks with the publication of *The Quest of the Silver Fleece*. In it, he caricatured the members of the Stokes Fund General Education Board as arrogant, conniving and unconcerned about the higher education of blacks. John D. Rockefeller appeared as John Taylor, a northern businessman whose bank accounts increased daily and whose promise to southern whites was "We'll see that you Southerners get what you want - control of the Negro education." Throughout the novel, Du Bois showed his contempt for the robber barons and their manipulation of black education during the early part of the century.

In 1917, the publication of the *Negro Education: A Study of the Private and Higher Schools for Colored People in the United States* from the philanthropic Phelps Stokes Fund called for the elimination and consolidation of the majority of black institutions of higher education. With the publication of this document in addition to his tumultuous relationships with the industrialist philanthropists, DuBois became convinced that the American capitalist system was in and of itself the engine of racism (Horne, 1986).

Alternately, sociologist and educator Charles S. Johnson worked closely with white philanthropists beginning in the early 1920s. He saw the foundations as a means for making advances for African Americans - a way of cultivating scholars and leaders. Motivated by a race riot in Chicago caused by the stoning of a black man who swam to the "white side" of a Chicago

beach, Johnson was led to "interpreting 'colored people to whites and white people to Negroes," (Bulmer, 1981). Johnson became involved with the Chicago Race Relations Commission and became acquainted with Sears and Roebuck tycoon Julius Rosenwald. Both Rosenwald and Edwin Embree, the president of Rosenwald's philanthropic foundation admired Johnson and the three developed a close professional relationship throughout their careers (Gasman, 2002).

Embree relied on Johnson to make recommendations as to what should be funded through the Rosenwald Fund (Gilpin, 1973) and Embree provided most of the financial backing for Johnson's ideas including the social science department he would later establish at Fisk. Johnson acted as a conduit to the black community for Embree as he was greatly concerned with race relations - Embree saw Johnson as a leader who offered a solution, as evident in his book *Thirteen Against the Odds* (1946) in which he praised Johnson's influence and accomplishments.

In 1921, Johnson moved to New York to work as the director of research at the National Urban League and while there, became acquainted with the city's white philanthropists. According to Harlem Renaissance artist Aaron Douglas, Johnson's had a "subtle scheming mind," (Lewis, 1981, p. 125). Johnson returned to the South to take a position as director of the social science department at Fisk - a position he was handpicked for by Rosenwald and the Laura Spelman Rockefeller Memorial fund after both granted Fisk money to support the social science department. Johnson was appointed the first black president of Fisk University in 1946 and at the request of a vocal group of alumni, was publicly opposed by Du Bois who suggested that Johnson was a pawn of philanthropy: "...here can be no doubt as to the present situation; the Northern white trustees hesitate to put a Negro in the presidency; they would prefer a complacent, even second class, white man," (Du Bois, 1946, p. 270).

The selection of Fisk's president was directly related to philanthropy. The university

needed to meet an endowment challenge from the Rockefeller Foundation and the board knew that Johnson was better suited to accomplish the fundraising goal than Du Bois' choice, Charles Wesley. According to board member John Hope Franklin, "Charles Wesley's world was a black world. Johnson's world was a white world. Wesley would not have been able to attract funds as Johnson did," (Gasman, 1999).

Modern University Philanthropy Structure. Fundraising has been a part of the American higher education system since the founding of Harvard, but it was not a comprehensive effort - fundraising as an organized venture is much more recent (Drezner, 2011). Initially, many institutions hired outside fundraising firms to handle large fundraising campaigns and annual solicitations. For example, Harvard hired John Price Jones in 1919 to administer its first full-fledged organized campaign that asked alumni for financial support. At HBCUs, fundraising firms were used through the 1970's. Today, most fundraising is handled in-house (Drezner, 2011).

Referred to as Development Offices, or Institutional Advancement Offices, fundraising offices are organized in numerous ways. Some are centralized so that all fundraising is handled by a central administrative entity while others are decentralized so that each college or center has its own office. Most universities use a hybrid model in which individual college fundraisers report to a central administrative entity. However fundraising offices are organized, principles of fundraising are the same and gifts are categorized in two main ways: unrestricted giving and restricted giving. The unrestricted donation is the most coveted type of donation as these funds can be used at the university's discretion, often referred to as "where the money is needed most." Restricted donations have a much more specific purpose and are used where the donor indicates. Larger restricted donations are often invested in the institution's endowment, providing funds to

support the donor's wishes into perpetuity. Other types of donations include "current use gifts," donations that are to be spent the fiscal year they are received. These donations may have minimal restrictions placed on them by the donor and are often semi-unrestricted gifts that may be designated to a specific department but the university decides how they funds are spent in the department. These donations are often used for scholarships, faculty chairs, care and maintenance of new or existing university facilities, or almost anything that a university and donor agree upon.

Many of the largest donations to higher education are designated for university endowments. An endowment can be viewed as the investment portfolio of the university. Endowment donations are often given to universities with use stipulations and most are given to support student scholarship or faculty salaries and research through endowed professorships or chairs. Besides scholarships and salaries, institutions also use endowments to cover the maintenance and upkeep of campus buildings. Endowments can be created to support any operation of the university where a donor and the university agree (Drezner, 2011).

Endowments differ from current use gifts in that the donation is invested in a portfolio as principal that must remain intact in perpetuity. Only a portion of the returns on the investment are spent on the designated cause. For this reason, endowed gifts have an impact on the university and the cause designated in perpetuity rather than during a short time period as current use gifts are allocated (Drezner, 2011). The governing board of the university oversees the endowment and typically a professional financial officer manages the portfolio. On average, universities spend 4 to 6 percent of an endowment's assets, but each university sets its own spending rate often based on the past five years of investment returns (Massy, 1990).

The spending rate is set to prevent diminishing the principal of the donation but also to allow

for growth of the endowment through the continual reinvestment of a portion of the annual investment returns. The reinvested portion of the return allows for regular endowment growth regardless of new investment and protects against future inflation and recession. Historically, endowment performance follows the stock market and gains 10 to 11 percent annually. With the average spending rate around 5 percent, the remaining 5 to 6 percent is reinvested. Inflation is typically 3 percent during periods of economic growth, therefore the remaining 2 to 3 percent of reinvestment allows for continued spending growth (Drezner, 2011).

Corporate donations have long been a source of funding for universities. Corporations that participate in an organized program of support may set aside revenue each year to contribute funds to organizations. Corporate foundations are a conduit to fulfill corporate social objectives and most make a large number of gifts each year to numerous organizations across the philanthropy spectrum. Often, major donations to educational institutions are part of a direct exchange between the two: grants for scholarships are given to colleges and their graduates are then hired by the corporation (Greenfield, 1991).

Perhaps the most important and immediate source of funding for universities is that of the foundation. There are four types of foundations in America: general-purpose or public foundations, corporate foundations, community foundations, and largest of all, personal or family foundations (Greenfield, 1991). Foundations must give away at least 5% of their asset value each year. Most foundations reinvest their unused earnings in order to increase their asset value and their ability to give more in the future and most were established to be permanent and their funds invested as permanently endowed in order to continue their purpose into perpetuity.

Foundations have supported an impressive history of accomplishments - from the discovery of the polio vaccine to the development of public television - foundations have made a

large impact on society. Foundations have the flexibility to determine all aspects of their grant making activities. They are actively funding in nearly every issue area across the globe. Some foundations make a small number of very large grants as the most effective way to achieve their goals. Others emphasize providing many small grants to a large variety of organizations. In 2012, the U.S. was home to 86,192 foundations with $715 billion in assets and $54.7 billion in giving - a record high in the history of philanthropic giving. Health care and education received the most philanthropic support with 22% (5 billion) in 2014. The next most popular funding focus was Human Services at 16% ($3.5 billion).

According to the Foundation Center's annual "Foundation Giving Forecast Survey," (2012) overall foundation growth will continue to grow a few points ahead of inflation through 2016. Independent and family foundations will likely grow at an even higher rate. New York State ranks first in the nation in the number of foundations (9,880) and overall giving ($8.7 billion) while more than one quarter of U.S. foundations (23,55) are located in the south (Foundation Center 2014). Among the top foundations by total assets in the U.S. are the Bill and Melinda Gates Foundation at $36.2 billion, the Ford Foundation at $11.2 billion, and J.Paul Getty Trust at $10.5 billion. Other foundations rounding out the top 10 with a combined total of assets at 50.7 billion are the Robert Wood Johnson Foundation, W.K. Kellogg, William and FLora Hewlett, Lilly Endowment, David and Lucile Packard, John D. and Catherine T. MacArthur, and the Gordon and Betty Moore Foundation (Foundation Center 2014).

Among the largest philanthropic donations in the United States in 2015 were from family foundations to universities: J.B. and M.K. Pritzker - one of the top 50 donors in the U.S., contributed $101 million to Northwestern University's law school to be used, in part, to pay for scholarships and grants. The money also will support the college's social justice,

entrepreneurship, and civil and human rights initiatives. The donation was the largest gift to any law school in the history of Higher Education (Bowean, 2015). Not to be outdone, Roberta Buffett Elliott contributed $100.9 million to Northwestern to develop the Buffett Center for Global Studies. The Center will assist Northwestern in its goal of expanding its global reach. The gift from Elliott, a 1954 Northwestern alumna, will also fund scholarships for international students, provide student travel grants and expand a visitors program to bring scholars from other countries to the school for an academic year (Tremmell, 2015).

One segment of the potential donor population long ignored by researchers has been faculty. Experts have identified faculty as perhaps the major stakeholder for the overall success of a comprehensive fundraising effort. University officials have found that contributions from external donors are often influenced by the success of faculty annual giving campaigns (Fuller, Hester, Barnett, Frey, & Relyea, 2006). In a study by W.E. Knight (2003) carried out at a mid-sized, state-assisted, Midwestern university, critical information about which types of employees are more likely to contribute and faculty perceptions about the giving process at the university were measured. Administrative staff, full-time employees, blacks and whites, employees who were alumni, those who lived in the university's home city, employees who had ever given previously to the university, employees with higher salaries and those employed for the greatest number of years were significantly more likely to give. According to the study, faculty generally understood the purpose of employee giving campaigns and agreed that departmental representatives were a good means of communication about the campaign. Employees also wanted to detail very specifically where their donation would be used (Knight, 2003).

A separate study at Bowling Green State University (BGSU), sought to determine why faculty choose to give or not give to the annual faculty campaign, how the campaign should best

be marketed to faculty, barriers or situations that prevent faculty from participating, possible concerns over the use of funds raised, and the effect of giving by the academic leadership on the giving of rank and file faculty (Knight, 2003).

The results showed a statistically significant difference with employees in the executive/administrative/managerial and other professional groups more likely to give than others. Full-time employees were significantly more likely to give and black and white were significantly more likely to give than Asians or Hispanics. Employees who were alumni were significantly more likely to give. Although males were more likely to give, the difference was not significant (Knight, 2003).

In a study by Holland and Miller (1999), 207 responses were received from a questionnaire to full-time faculty at three universities (research, regional comprehensive, and liberal arts) regarding faculty's motivations for giving and university fundraising strategies. Respondents revealed that half of all faculty who contributed held the rank of professor, were tenured, and were not graduates of their employing institution. Primary motives identified for giving included altruism, a sense of social responsibility, self-fulfillment, professional attitude, conviction, and institutional loyalty. In response to inquiries regarding fundraising strategy, respondents rated telephone solicitations as the most effective.

Perceived organizational support as well as perceived external prestige also has an impact on donor behavior. According to a study of 325 university employees by Fuller, Hester, Barnet, Frey and Relyea (2006), perceived organizational support produces in people a feeling of obligation to care about the organization's well-being and put forth effort to help the organization achieve its goals. The researchers related perceptions of organizational support to organizational attachment citing it as a socioemotional resource. If the employee feels as the

organization cares about his/her well-being and contributions, employees feel not only an emotional obligation to the organization, but also a potential financial one as well.

The University President as Chief Fundraiser. Upton Sinclair once remarked that the college president spends his time running back and forth between Mammon and God (Nicholson II, 2007). The university president has been referred to as the chief fundraising officer since the 1940's when Harral (1942, p. 205) stated:

> By virtue of his position the president is the executive head of the public relations program. As such he furnishes creative leadership, leads in the formation of policies and build procedures. It is the president's job to point out what should be done in public relations objectives, suggest means for accomplishing those goals, stimulate interest in the program, and then delegate the details to responsible staff members.

The university president shoulders the ultimate responsibility for the success of the fundraising program as so much of what precedes an effective relationship and solicitation of major gifts must come from the president. No other university officer can create the vision, outline the priorities, or make the case for support as effectively as the president. In the past, presidents saw their role in fundraising as limited to hiring a staff of professionals to raise private gifts, but presidents today view their personal involvement as being critical to supplementing the work of the fundraising staff (Miller, 1991).

For many university presidents, fundraising is a part of the job that is not well defined nor well understood. They understand that there is an expectation that private funds flow into the university but their specific role is often cloudy. This uncertainty may be due to fundraising recently becoming an expectation of leadership, lack of experience on the part of the president in

soliciting private gifts, or the belief that institutional leaders that such activities are beneath them. In frustration, many often abdicate their leadership of fundraising to a development staff (Hodson, 2010). While a president does not need to be experienced in fundraising, Cheshire (1980, p. 14) believes it is important for the president to be at the center of the fundraising effort: "suggesting, critiquing, judging, challenging, and performing. As he is part of it, he will be a force in it, and that is essential to the moving spirit of what must be a total institutional commitment."

In *A Study of Presidents of Independent Colleges and Universities* (Song & Hartley III, 2012), among the three most time consuming duties of presidents are fundraising, financial management, and enrollment management. Among the top areas of insufficient preparation for those surveyed are technology planning, fundraising, risk management, and legal issues (ACE, 2012). The study analyzed data from a survey of 1,600 college and university presidents nationwide. Characteristics surveyed were demographics, duties and responsibilities, satisfaction and frustrations with work, their career paths and plans, and the presidential search process and conditions of employment. Based on the results of the survey, the typical president is a 60-year-old married white male with an earned doctorate who has been president for seven years and is very satisfied in his work.

Strong leadership is fundamental to a successful campus fundraising program. Presidents, either consciously or unconsciously, decide what type of leader they want to be and what type of legacy they wish to leave. Presidents can choose to operate within an existing framework or employ their own frame that they adapt especially for the institution they lead. Bolman and Deal (2003) outline four frames of leadership routinely used in academic settings. The political frame is utilized by leaders who focus on the political realities that exist within and

outside organizations. This approach deals with interest groups and their agendas, building power bases, coalition-building, limited resource conflict negotiation and compromise. The political approach is often used in environments with limited resources and conflicting goals. Structurally-framed leaders focus on strategy, implementation and adaptation. This frame suits leaders within changing institutional structures and works well in environments with clear goals, clearly understood cause and effect relationships and environments where little ambiguity exists. Human resource leaders emphasize support, staff development and responsiveness to the needs of employees while symbolic leaders make change by focusing on vision and inspiration. These leaders feel that people need to believe that their work is meaningful and they often employ ceremonies and rituals as part of their leadership frame. The symbolic approach works best in institutional environments with unclear goals (Bolman & Deal, 2003). Research suggests that women may have a greater tendency to practice cognitive complexity.

In 2009, while most colleges and universities in the United States reeled from the financial strains placed upon them from a struggling economy, a handful of institutions found themselves beneficiaries of extremely large and anonymous gifts. This news was a stark contrast from headlines of tuition increases, hiring freezes, and massive budget cuts. For many of these institutions, the donations represented the single largest gift in the institution's history, as each gift surpassed seven figures and at least two of the universities received gifts of over $10 million. As the public began learning of this intriguing story and as the media tried to identify the anonymous donor, one characteristic became clear – all gifts were made to institutions where a woman served as the president (Pope, 2009).

Although the amount of research addressing issues related to the relationship between women and higher education continues to steadily increase and gain prominence, studies of

women who hold the position of college president are few. Though women have led colleges since the 19th century when the first single-gendered institutions opened to educate women, the total number of today's female college presidents remains surprisingly low. A survey conducted by the American Council on Education (2007) to gather information about university presidents reported that 23% of national institutions are led by a woman, and only 18.7% of private institutions have female presidents. An examination of the history of female presidents and barriers to their appointment as well as a consideration for the sometimes "chilly" institutional culture found on many current campuses may provide insight into the numbers.

The AAUP Statement on Governance of Colleges and Universities (2006) outlines the shared governance model that characterizes American universities. The deliberate, consensus-based system (Bess & Dee, 2008) includes the combined efforts of faculty, trustees and the president to administer the business of the university. Presidents hold the responsibility for the "definition and attainment of goals, for administrative action, and for operating the communications system that links the components of the academic community," (AAUP, 2006, p.138). Although an adequate definition, the true demands placed upon the president are too many to define. As universities continue to develop into complex systems, the role of the president extends beyond the academic – the role of the president now includes tasks such as administrative action, adequate and timely communication, policy advocacy, fundraising and public service. As the role of the president has changed, so have the universities they represent.

The first colleges and universities founded in America in the late 1600's were opened exclusively to the wealthiest of men and were operated under the leadership of male presidents – a trend that continued well into the twentieth century. It was only at women's colleges that the first examples of female college presidents emerged in the late 1800s. Alice Freeman's tenure at

Wellesley (1881-1887) was marked by collaboration, openness, and a shifting of power from the presidency to senior faculty (Brown, 2001); in fact, Wellesley is the only college that never has had a male president. At Bryn Mawr, M. Carey Thomas applied for the presidency with a vision of college as a place to offer women equality – this view was a stark contrast from the trustees' traditional views of women (Brown, 2001). Though initially unsuccessful in her bid for the presidency, Thomas eventually was appointed to the position in 1893 and led in this capacity for 28 years (Brown, 2001).

Despite a long history of involvement in higher education, it is only within the last 30 years that women have been appointed presidents of major research universities. Hannah Gray is regarded as one of the pioneers of the movement of women as leaders of America's most prestigious universities. Gray, a historian on Harvard's faculty, could not use Harvard's Lamont Library or enter the faculty club through the front door during the 1960's (Padilla, 2005). After leaving Harvard, Gray taught at the University of Chicago and Northwestern before accepting the position of provost at Yale University. An offer of presidency of the University of Chicago in 1978 marked Gray's role in history as the first woman to be appointed president at a research institution. During Gray's tenure, the University of Chicago increased the number of applications and admissions, stabilized an unsteady budget, and exponentially grew the size of the university's endowment through persuasive fundraising efforts (Padilla, 2005).

Over 30 years later, women now hold the presidencies of some of the United States' most prestigious institutions including Harvard, Princeton, Brown, and MIT. While the achievements of these women leaders are immense, they comprise but a small proportion of the leaders of private institutions in the United States. Of the nation's most selective private colleges, women hold a 36% share of the presidencies. By eliminating the single-gender institutions from this list,

the number of women leaders at private institutions drops to 20% (ACE, 2007). Women assume the presidencies at public colleges in slightly higher proportions. In 2006, female presidents represented 29% of two year colleges and 34% of four year institutions (ACE, 2007).

Recent research has attempted to answer questions of disproportion for female presidents, citing an increasingly proportionate number of women in the ranks of faculty and administrators. Some believe that as the number of women faculty continue to grow, the number of women assuming the presidency will grow as well. Currently, women constitute 45% of faculty and senior administrative positions in the United States, yet only 23% of college presidents are women (ACE, 2007). Yet, other researchers believe that barriers will almost always exist to stand in the way of an equal distribution of presidential appointments.

Common barriers, such as sexism, are commonly given as explanations for the deficit of female presidents, but Jackson and Harris (2007) suggest that female leaders fail to engage in networking as a resource as they seek the presidency. This explanation would negate a commonly held stereotype that women are, at times, too relational. Another commonly assumed reason that women are not promoted to presidential positions is that they face familial challenges in a much more severe manner than men (Jo, 2008). Following the careers of their spouses, raising children, and tending to elderly parents are just a few of the family obligations that may consume women and limit the amount of time available for demanding work, especially the demands of a college presidency. Studies of current female presidents seem to further supplement this notion: when compared with male college presidents, a larger percentage of female college presidents have never married or had children (Fisher & Koch, 2004).

One of the most startling barriers women face in the quest for presidency proportion, is the phenomenon that leadership appointments often reproduce themselves unconsciously (Fisher

& Koch, 1996). If men hold positions of leadership such as board of trustees members or presidents, men are more likely to be appointed to future leadership positions, paying homage to a commonly held assumption that, "men prefer to work with men." Boards of trustees may hesitate to appoint a member of a minority group to the presidency for various, often unconscious reasons including the stereotype that minorities tend to be less qualified and less experienced that white males. Another assumption exists with the majority group that differences in minority management styles mean that the leadership style is inferior and this would create an automatic disadvantage at the presidential position (Fisher & Koch, 1996). Although Fisher and Koch (1996) explain that the accuracy of these thought patterns may be difficult to measure, they certainly do exist.

In a study of gender differences in applying leadership frames, faculty and staff rated female deans against their male counterparts in different leadership dimensions. Rosser (2003) surveyed the faculty and staff of one public university regarding their perception of their respective school deans' leadership:

> This study suggests that female deans are perceived to be more likely than their male colleagues to: enhance the quality of education in their units; engage in research, community, and professional endeavors; promote and support institutional diversity within their units; and manage personnel and financial resources fairly and effectively. The results from this study suggest that not just some dimensions (for example, interpersonal skills, communication) of leadership are perceived by subordinates to be enacted better by women; rather these results indicate that all the leadership dimensions are perceived by this group to be more effectively practiced by this group of women deans. (p. 77)

Effective leadership involves the ability to access a wide range of abilities and approaches to draw upon in reaction to different scenarios: two theories quickly emerge that illustrate this concept. Transactional leadership involves trading actions for action, diagnosing problems in an organization and determining the action needed to resolve that problem. A major component of transactional theory is the promise of reward for effort.

Transformational leaders lead by raising awareness, by raising the level of consciousness, and encouraging workers to transcend their own self interests for the sake of the team (Bess & Dee, 2008). In its ideal form, transformational leadership creates valuable and positive change in followers with the goal of developing followers into leaders. Transformational leadership enhances the motivation, morale and performance of followers through a variety of mechanisms including connecting the follower's sense of identity and self to the mission and the collective identity of the organization; being a role model for followers that inspires them and understanding the strengths and weaknesses of followers so the leader can align followers with tasks that optimize their performance (Bess & Dee, 2008). Research suggests that men operate more frequently from a transactional leadership perspective which emphasizes positional power (Rosener, 1990) while women spend time building consensus and leading along transformational lines (Fisher & Koch, 2004). Although both types of leadership styles can prove essential, knowing when to employ one or the other often dictates the level of presidential success (Birnbaum, 1992).

Just as presidents employ a transactional or transformational leadership frame, they can also be evaluated based on the types of power they exhibit. Bess and Dee (2008) present a 1960 study by French and Raven that outlines five major ways individual power is exercised at institutions: coercive, reward, expert, legitimate, and referent. Referent, expert and legitimate

power have the most relevance for understanding the relation of gender to influence (Carli, 1999).

Carli (1999) presents an extension of French and Raven's model by Paula Johnson. Johnson predicted that men should possess higher levels of coercive and reward power because of the perception that men have a greater ability to reward or punish others, greater expert power because of stereotypes that consider them more expert than women and greater legitimate power because they command more authority than women. She also predicted that women would utilize more referent power than men because of the importance to women of maintaining good relationships. Johnson concluded that referent power would be the one source of power generally available to women.

Because expert power is based on perceived competence, and because a general stereotype of women is that they generally have lower levels of competence and expertise than men, it would be assumed that they experience lower levels of expert power and would be less influential than men. A common complaint for women is that to be taken seriously, they must not only be as good as, but even better than men. According to Carli (1999), this claim has empirical support – women actually do have to outperform men for others to consider them equally competent. For example, women professors are presumed to be less competent than their male peers and held to higher standards of achievement by their students. Research on undergraduates indicates that for a woman to be considered as competent as a male professor, the students must be given explicit evidence of the woman's superiority (Carli, 1999).

Legitimate power can best be thought of as a form of entitlement. A person who has legitimate power has the right to exert their influence over others and command respect. Women, on average, do not command the authority that men do and they do not use legitimate

power as much as men do. For example, in group settings, a woman is often not considered as deserving of status as a man is and group members, as a result, tend to ignore her ideas and give her little opportunity to participate while also resisting her attempts at influence (Carli, 1999).

Legitimate power comes from a person's external status or position. Citing the 1990 research of Giaclone and Riordan, Carli (1999) explains that undergraduate students respond more favorably to self-promoting men than modest men, while modest women evoke a more favorable reaction than self-promoting women. In fact, overt displays of confidence by women can result in rejection from men whose legitimate power is threatened. Undergraduate men, in particular, find a competent, self-promoting woman to be unappealing unless they personally have something to gain from knowing or interacting with her. Women often find themselves faced with an important dilemma in terms of their presidential power – the expectation exists that they should appear "softer" than men; therefore, when they exhibit direct and decisive leadership, they are often criticized for being too masculine. For example, Hanna Gray's personality "may have grated on some faculty members with more traditional gender expectations" (Padilla, 2005, p. 244). Further, Gray was criticized for being too "business-like," which appeared "brusque and unfeeling" to some (Padilla, 2005, p. 244).

A person's referent power is based on how much they are liked or how much others like and want to associate with them, those having referent power are generally perceived as being socially skilled, pleasant and agreeable – essentially possessing the traits more typically associated with women than men. Carli (1999) cites a 1972 study by Broverman that suggests student samples reveal that people find women to be warm, expressive, understanding, compassionate and concerned for others. More importantly, the individuals studied reported having more positive feelings toward women than men. If Broverman's study holds true, it can

be expected that women's greater likeableness gives them great referent power than men. Although some men do have referent power, they do not experience any particular advantage when using it, particularly when compared to their use of expert or legitimate power.

Though presidents may have their own personal leadership style, they may also choose to adopt a style that complements the culture of the institution they lead. Institutional culture has become such an essential function of leadership that some argue an institutional culture can control a leader. An institution's culture creates institutional values and beliefs, influences the college's leadership decisions, affects how presidents approach their positions and influences what presidents are able to accomplish (Birnbaum, 1992). To properly understand the culture and learn to work within it is an essential task for college president and is "pivotal in determining the success of organizational improvement efforts," (Peterson & Spencer, 200, p. 171) and the most effective academic leaders find a way to write their own narrative into the preexisting cultural story of the college.

Academic Ratchet. During times of economic distress, university budgets are among the first to be questioned. For more than a decade, higher education has come under intense criticism by the American public and by national and state lawmakers for what is perceived to be a lack of fiscal discipline in favor of individual administrative and faculty goals resulting in soaring higher education costs for consumers. Zemsky and Massy (1994), cited in Middaugh (2005) refer to it as an academic ratchet:

> The academic ratchet is a term to describe the steady, irreversible shift of faculty allegiance away from the goals of a given institution, toward those of an academic specialty. The academic ratchet raises an institution's costs, and it results in undergraduates paying more to attend institutions in which they receive less faculty

attention than in previous decades (p. 22).

Both friends and critics of higher education are increasingly questioning the fiscal actions of universities. According to Zemsky and Massy (1994), perhaps the main question on the mind of all is to what extent are faculty attitudes and behaviors responsible for higher education's inability to control costs and establish priorities.

Louisiana currently experiences one of the most drastic cuts to higher education in the United States. Eight years ago when Governor Bobby Jindal took office, state taxpayers provided 60 percent of the funding for the state's public universities. Currently, taxpayers barely pay 25 percent, leaving a significant gap between tuition and the cost of higher education. The scope of Louisiana's disinvestment is both startling and unique. The 2008 national recession caused all states to cut money for colleges and universities, but most have reversed course amid an improving economy. Louisiana, however, has cut higher education funding more than any other state since the recession. In making cuts to higher education, Jindal and the state Legislature reversed more than a decade of bipartisan efforts to raise the profile of Louisiana's universities (Russell, 2016).

Public colleges and universities have traditionally been at the mercy of economic cycles (Tandberg, 2008). Politicians tend to cut funding during tough economic times, but often do not return the funding once the crisis is over. This dramatic decline in support will potentially reach crisis proportions for public institutions because more than five percent of current state appropriations for higher education are due to come from exhausted federal stimulus funds, state revenues have fallen at such an unprecedented rate that it will take years to recover, and current enrollments are suffering due to students who are deterred by tuition increases and enrollment caps (Jaschik, 2010). The funding picture for many state institutions is bleak and Louisiana is no

exception.

Higher education has been at the mercy of the Louisiana governor and state legislature for almost a decade. Facing a $1.8 billion budget gap in 2009, the Louisiana legislature cut higher-education appropriations by 14 percent. These cuts prompted public college leaders to ask for tuition increases as Louisiana four-year public college tuition averages $4,290 - the second lowest fee in the country. Louisiana is the only state that requires a two-thirds majority vote by the Legislature to increase tuition and lawmakers found themselves in the uncomfortable position of either ceding the power of tuition increases to university administrators or taking the political risk of approving increases themselves (Kelderman, 2010). In correspondence between students, staff and faculty, then LSU Chancellor Michael Martin (M. Martin, personal communication, March 8, 2010) discussed the initial impact of the legislature's decision on the future of LSU:

> Higher education in Louisiana has changed dramatically over the last 18 months as a result of three separate budget cuts. While the governor's budget would provide some financial reprieve, the future of state funding for higher education, like many other facets of the state budget, is not promising. Change is now a permanent way of life for all of us whose budgets include state funding (Martin, para. 2).

In his correspondence, Chancellor Martin outline a three tiered plan to help LSU become less dependent on the state budget and a plan that would allow LSU to stop living "budget to budget" in order to continue positive growth. Chancellor Martin's plan for LSU called for change, focus and autonomy.

In order for LSU to become less dependent on the state budget, Martin suggested LSU should change the way business is done through efficiency and entrepreneurship. He suggested

reducing costs and increasing revenues by becoming more efficient in daily operations and by seeking creative methods for effective spending and saving. One of the first steps in Martin's plan was to begin renegotiating contracts to allow for better funds utilization generated from outside resources. The plan attempted to increase revenue by entertaining more diverse business endeavors including adding online degree programs to meet the needs of modern students. According to Martin's plan, the university would aggressively pursue private partnerships through fund-raising activities and endowment building as to create more financial security in the years ahead. The plan would never become realized, however. Perhaps wary of the future of higher education funding in Louisiana, Martin left LSU in 2012.

The brunt of the financial pain of Louisiana's cuts has been absorbed by students. To compensate for the loss, Louisiana has lifted tuition and mandatory fees faster than any other state over the last five years. For example, at the University of Louisiana Lafayette, fees and tuition has increased by 140 percent since Jindal Took office going from $3,430 to $8,244 per year (Russell, 2016). Due to rising costs, more students are opting not to seek bachelor's degrees. According to the State Higher Education Executive Officers Association (2015) Louisiana was one of only six states to see a decrease in university enrollment between 2009 and 2014. Though Jindal called for such a shift, aid to community and technical colleges also was slashed on his watch. On a per student basis, those schools receive half as much aid as they did when Jindal took office (Russell, 2016).

Some schools have been hurt more than others. The budget at the University of New Orleans has been cut by almost 20 percent leaving the state's largest metro area without a high-functioning public university. Louisiana's historically black universities also suffer under drastic cuts in addition to higher admission standards imposed by the Legislature. Enrollment at the

state's three public historically black universities is down by a combined 15 percent since 2008 in addition, the number of black students attending Louisiana universities of any kind is down 8 percent since 2008. Just 18.9 percent of black Louisianians have a college degree, the lowest rate in the country (Russell, 2016).

In an effort to understand the expenses of higher education, Middaugh (2005) urges a clarification of what students pay for a college degree (price) and what a higher education institution expends to deliver that degree (cost) and cites the Higher Education Act as a tool of understanding. The 1998 reauthorization of the Higher Education Act required the U.S. Department of Education's National Center for Education Statistics (NCES) to conduct a study of higher education expenditures. The study was to include an evaluation of expenditure patterns over time, an evaluation of the relationship of expenditures to the price charged for a college education, and an assessment of the effect of tuition discounting and federal financial aid on tuition setting policy. (Middaugh, 2005). NCES' analysis of tuition concluded that at both public and private institutions, tuition increased at a rate greater than the increase in the consumer price index over the period of time studied. The study, however, found virtually no relationship between financial aid and tuition increases at either public or private institutions and the sole exceptions were weak correlations of 0.103 at public universities and 0.188 at private colleges. The study found that nonfinancial variables were more closely related to increases in tuition and including decreasing revenue from state appropriations, faculty compensation levels, return on endowment, gift income, and grant revenue. A number of external factors were also found to impact tuition, specifically, competitor tuition rates and the per capita income of the state residents (Cunningham et al. 2001).

Furthering Middaugh's research and seeking a new understanding of the costs associated with

undergraduate education, Zemsky and Massy (1994) made two major observations about the academic ratchet in American colleges and universities; First, a destructing of the undergraduate curriculum over the last two decades has resulted in fewer required courses, less emphasis on taking courses in an ordered sequence, and greater reliance on students to develop their own sense of how the various bits and pieces of knowledge they acquire in the classroom fit together in a coherent picture. The researchers theorize that the destructing of the curriculum derives from both the faculty's pursuit of specialized knowledge and from economic pressures that emphasize filling classes with students.

The second observation of Zemsky and Massy's (1994) theory concerns the loosening of institutional ties and responsibilities by faculty members to increase their discretionary time for pursuing professional and personal goals - resulting in a lesser value placed on undergraduate teaching. Time not committed to undergraduate education allows faculty to attend to other obligations and shifts output from undergraduate education toward research, scholarship, and professional services - a term they refer to as "output creep." The researchers further, to the extent that those who pay for education including students, parents, and state government, place less value on these alternative activities than do faculty, they see "output creep" as a decline in productivity.

The storm of increasing cost coupled with decreasing state funding has led both states and public universities to consider privatization. During the 20 years ending in 1995-1996, expenditures per student rose by 52 percent at public four year institutions and 40 percent at private four year institutions. As a result, faculty salaries at public institutions have fallen compared to those at private universities Data from the Association of University Professors' survey indicates that between 1978-79 and 2003-2004, the average salary of full professors in

public doctoral institutions fell from 91 percent to 78 percent of the average salary of full professors at private universities. Resource constraints have led public colleges and universities, more than private, to substitute part time and full time non-tenure-track faculty for tenured and tenure track faculty (Ehrenberg, 2005).

While privatization discussions have arisen from state budget problems, they also arise from the idea from legislators that by forcing public universities to behave more like privates, they will be forced to compete for resources and in turn become less wasteful and more efficient (Ehrenberg, 2005). As state support becomes an increasingly smaller portion of their budgets, many public universities want to be freed from legislative constraints that lead to ineffective operations and they want the freedom to make economic decisions that will improve their ability to compete with private schools. Perhaps the most important decision public universities want control over is the freedom to raise tuition to market levels. Previously, public universities raised undergraduate tuition substantially only during times of recession in order to offset the effects of state budget cuts (Ehrenberg, 2005). When universities did this, however, state legislators and governors were the target of political pressure to limit future increases or even roll back increases, as experienced in Virginia and California in recent years.

As explained by Ehrenberg (2005), Flagship public universities have many more applicants than they have positions in their first-year student bodies, so large tuition increases are not likely to leave them with unfilled seats. What Ehrenberg warns universities that they will have to maintain the selectivity of their undergraduate student bodies since large tuition increases may make private competitors seem more attractive to many of their top applicants who won't receive financial aid. Nevertheless, Ehrenberg postulates that flagships will prosper the most from moving to a high tuition/low state funding model because the demand for their seats is

likely to be much less sensitive to price that for those at public comprehensive universities which already admit a large percentage of their applicants.

Opponents to privatization cite increasing data on Pell Grants and the extremely low shares of recipients of the grant who attend public flagships. Other opponents warn of the risk of public education's becoming even more stratified with upper and upper middle income students studying at flagships and lower and lower middle income students studying at less well funded public comprehensive institutions and two year colleges. Flagships will have not only more room to raise tuition but a great ability to increase other sources of revenue such as endowments, annual giving and revenues from commercialization of research findings - historically, those who attend better funded institutions have higher earnings after education and become candidates for eventual donations to the university (Ehrenberg, 2005).

Budget Busters. A college or university's budget is the single most influential controller of campus activity and is directly affected by the success of campus fundraising. As defined by Merriam Webster's Collegiate Dictionary in Lasher and Sullivan (2004), a budget is:

> A statement of the financial position of an administration for a definite period of time based on estimates of expenditures during the period and proposals for financing them: a plan for the coordination of resources and expenditures; the amount of money that is available for, required for, or assigned to a particular purpose (p. 198).

Essentially, a budget is a road map that helps to carry out an institution's objectives, strategies and assumptions. If there is no money to fuel campus programs or services, that program or service could be set up to fail or even be terminated. Therefore, controlling the budget is essentially controlling campus life and the strategic plan for the university. For example, at the University of Southern Colorado, administrators, using strategic goal priorities as a guide, were

able to free $3.2 million, or 16 percent of its state budget allocation to achieve twelve major strategic goals identified as crucial in its strategic plan (Rowley & Sherman, 2001).

Although there are variations to how different institutions prepare their budgets, the majority of campuses use incremental budgeting as the process by which they identify their budget needs. Incremental budgeting is the oldest and most common budgeting approach in higher education and typically uses the same budget year after year. The basic assumption of incremental budgeting is that the main objectives of the institution will not change from current needs. Most departments project that the next year's budget will be slightly higher or lower than the previous year and departments generally see only minor changes in operating expense levels. Incremental budgeting does conserve time and energy and during times of fiscal stability, it compliments the institution's long-term organizational commitments. However, incremental budgeting is a non-aggressive approach that focuses more on inputs rather than outcomes and it produces little incentive to question the justification of continuing programs' quality or productivity. In a rapidly changing culture where strategic planning exists to provide an institution dynamic direction, incremental budgeting does not maximize strategic and innovative thinking (Rowley & Sherman, 2001).

Zero-based budgeting can be a useful tool to universities, particularly during times of economic recession. Zero-based budgeting assumes there is no prior year base, and therefore, each program must be re-justified each year. Zero-based budgeting is a bottom-up approach that allows each unit to evaluate its goals and objectives, justify the need for various activities, and investigate alternatives. Zero-based budgeting focuses on outcomes and results and provides an excellent understanding of units, programs, and activities. There are weaknesses to the approach, however. Zero-based budgeting assumes no budget history and runs counter to

continuous fiscal commitments such as salaries. The zero-based budgeting process is very time consuming as well. Although there are significant weaknesses to the approach, the data produced in a zero-based budgeting process can be a tremendous asset to a department when the justification of a department is threatened, particularly in times of economic crisis (Rowley & Sherman, 2001).

Public Perception. Although university budgets are heavily scrutinized by both lawmakers as well as the public, citizens in some states call for an increase in taxes in order to support higher education. The *2016 Louisiana Survey,* a project of Louisiana State University's Manship School of Mass Communications, showed support for higher taxes to fund key services than for spending cuts. The survey, administered over the telephone from February 1, 2016 until February 26 to both landline and cellphone respondents and included a representative sample of 1,0001 adult (18 years or older) Louisiana residents. The survey included live-interviewer surveys of 302 respondents contacted via landline telephone and 699 respondents contacted via cell phone. The design of the landline sample ensured representation of both listed and unlisted numbers by use of random digit dialing. The cell phone sample was randomly drawn from known, available phone number banks dedicated to wireless service. Response rate was 3 percent and the rate was calculated using the American Association for Public Opinion Research's method for Response Rate 3. The sample had an overall margin of error of +/- 3.1 percentage points.

The survey found that nearly two thirds of Louisiana residents (63 percent) think the state is heading in the wrong direction, the most on record since the *Survey* began tracking opinion in 2003. The share of respondents who name the state's budget as the most important problem jumped from 7 percent in 2015 to 26 percent in 2016. According to survey results, the budget

tops the public's list of the most important problem facing the state for the first time on record. Additionally, public confidence that state government will effectively deal with the most pressing problems is low - only 34 percent say they are 'very confident' or 'somewhat confident' that state government can address these problems. Residents surveyed gave the highest grades to Louisiana's public colleges and universities with 59 percent of respondents giving a grade of A or B and the survey found that a large share of respondents (50 percent) support tax increases to fund higher education. The share of respondents who indicated willingness to pay higher taxes was 10 times as many as those who would rather raise taxes (LA Survey, 2016).

Higher Education Fundraising Ethics. Schrum (1993) claimed that the "nature of fundraising work often places individuals in situations involving personal ethics" (p.362). Elliott and Gert furthered that academic fundraisers operate under the same ethical sphere as individuals in other professions and stated that the "moral imperatives of fundraising exist within a system of morality that extends to all other questions of applied and professional ethics" (p.31).

Ethics and morality are often used interchangeably (Anderson, 1996), and are generally regarded as being indistinguishable (Schrum, 1993). The study of ethics examines "the proper standards and principles of human conduct" (Machan, 1997, p.5). Academic fundraisers are the primary institutional representatives charged with securing private support on behalf of the university. Fulfilling their obligations requires that they unequivocally adhere to the highest standards of ethical conduct, however, research has shown that fundraising practitioners are often confronted with compelling ethical dilemmas (Anderson, 1996). Roughly, dilemmas are "situations where several moral reasons come into conflict and point toward incompatible actions," where "the moral reasons may be cast in terms of obligations, responsibilities, rights, goods, or virtues" (Martin, 1994, p. 88). Specifically, Harding (1985), defines a dilemma as a

"valid argument which concludes with a choice between two equal alternatives" (p. 45).

Anderson (1996) argues that behaving ethically has become increasingly difficult in modern times. Ethical dilemmas create situations in which fundraisers discover that 'doing the right thing' is often difficult, if not entirely impossible (Elliot, 1995). Ethical compromises can establish precedents that can easily endanger institutional integrity (Payton, 1989).

Characteristics of the collegial institution. Shared governance is most valued when the academy is united for a common purpose and when value is placed on faculty, administrators, and trustees participating in colleges' issues (Birnbaum, 1988). In 1966, a template for shared governance was issued by the American Association of University Professors, the American Council on Education, and the Association of Governing Boards of Universities and Colleges (American Association of University Professors, 2012). Absent from the statement is guidance regarding shared governance in the building and maintaining of relationships with external stakeholders and Birnbaum (2003) noted that the template identified the faculty's responsibility as being primarily educational. However, Birnbaum (2003) also noted that the statement did outline the importance of faculty participation in the establishment of policy and planning.

A collegial institution is a community in which status differences are deemphasized and people interact as equals, making it possible to consider the university as a community of colleagues (Birnbaum, 1988). A study of university faculty by Bowen and Schuster (1986) suggested that collegiality has three main components: the right to participate in institutional affairs, membership in a "congenial and sympathetic company of scholars in which friendships, good conversation, and mutual aid can flourish," and the equal worth of knowledge in various fields that precludes preferential treatment of faculty in different disciplines," (p.55). Sanders (1973) identified collegiality as "marked by a sense of mutual respect for the opinions of others,

by agreement about the canons of good scholarship, and by a willingness to be judged by one's peers," (p.65).

Collegium members interact and influence each other through a network of continuous personal exchanges based on social attraction, value consensus and reciprocity (Birnbaum, 1988). Birnbaum asserts that collegiums are sustained and reinforced by nonlinear loops that control the behavior to their members. These loops permit the faculty and administration to form coherent and effective working groups. As people in a group interact share activities, and develop common values, the group develops norms. Informal norms control behavior even more powerfully than written rules and regulations. The strength of norms are directly related to the frequency with which group members interact and the extent to which they participate in activities (March and Simon, 1958).

Persons in leadership positions in collegial systems are expected to influence without coercion, to direct without sanctions and to control without alienating (Birnbaum, 1988). These leaders are provided significant leverage to influence their communities. According to Birnbaum, leaders in collegial settings should follow certain rules if they wish to retain their effectiveness: Live up to the norms of the group, conform to group expectations of leadership, use established channels of communication, do not give an order that will not be obeyed, listen, reduce status differences and encourage self control.

Rules for collegiums leaders. According to Birnbuam (1988), leaders must live up to the norms of the group and they must exemplify the values of the group to a high degree. Conforming to group norms engenders trust and this trust can be lost if a leader is seen as acting in a manner at odds with group's values. Conforming to group norms does not require collegial leaders to be passive, in fact, Birnbaum (1988) explains that groups expect their leaders to be

aggressive and to initiate action. If a group expects a leader to make certain decisions, the leader must make them or she will lost status. This is particularly true in emergency situations when "any failure on his part to initiate interaction, to take the initiative...will make him that much less the leader," (Homans, 1950, p. 428).

Since a collegial group has an understanding of what is appropriate, members expect that both informal and formal communications will follow certain customs and for the leader to deviate from those customs creates confusion. Leaders may also create confusion when they praise or punish members in front of the group as this type of behavior raises or lowers the social rank of the member and may change group interaction in unpredictable ways (Birnbaum 1988). Leaders should also be mindful that orders given should be fair and appropriate. To give an order that is questionable is to question the position of the leader (Birnbaum 1988).

The leader is at the center of communication in a collegium. The leader may initiate the interaction but listen and overcome any tendency to talk. The leader should acknowledge the importance of the group values and accept the without judgment. Birnbaum states, " Influence requires interaction; to influence, one must allow oneself to be influenced," (p. 103).

Major critiques of the collegial institution. Collegiality can be a code word for favoring those with backgrounds, interests, and political and social perspectives similar to one's own. This vague and subjective criterion can be used against faculty members whose work and ideas challenge traditional orthodoxy in their departments or institutions, and can also be used to accept questionable donations to the university. Women and minorities in academia still face significant career issues when compared to their counterparts. Slower promotion rates, lower earnings, and the lack of support continue to plague minority faculty and administrators. If colleges and universities are serious about creating truly collegial environments, strategies such

as hiring faculty of color, mentoring, and promoting faculty of color, should be developed.

Although among the early pioneers in civil rights, minorities have struggled for years to gain acceptance in the academy. More than a hundred years have passed since Sojourner Truth stood before an assembly of white men and women in Indiana to argue that black women were indeed a part of the women's rights struggle. Unlike the white advocates present, Sojourner, an illiterate ex-slave, referred to her own experience as evidence of a black woman's ability to function not only as a parent, but also as a work equal to men, to suffer persecution, to endure slavery, and still emerge victorious (Hooks, 1981).

The withholding of knowledge by slaveholders was grossly calculated. Frederick Douglass' slaveholder, Master Hughs, declared, "If you give a nigger an inch, he will take an ell. Learning will spoil the best nigger in the world," (Davis, 2002). Secretly pursuing his desire to learn to read and write, Frederick Douglass, despite Master Hughs, became one of the most significant thinkers in African American history; however, his story was not entirely unique. The quest for knowledge was not exceptional among black people and many numbers of slaves secretly studied, despite their masters' best intentions to keep them uneducated. Jenny Proctor, a slave woman who learned to read from the *Webster's Spelling-Book* recalled (Davis, 2002):

> None of us was 'lowed to see a book or try to learn. They say we git smarter than they was if we learn anything, but we slips around and gits hold of that Webster's old blue-back speller and we hides it till 'way in the night and then we lights a little pine torch, and studies that spelling book. We learn it too.

In 1793, Catherine Ferguson, an ex-slave, opened Katy Ferguson's School for the Poor in New York City, with 48 black and white children and became the first known black female teacher and administrator (Davis, 2002). Since that time, black women have carved a place in the

chronicles of the history of education despite racial and gender bias.

The racial crisis in American higher education stretches from the founding of the nation's first university, to the passage of California's prop 209 in 1997, to the present (Anderson, 2002). The years between the beginning of the Civil War and World War I saw tremendous growth in American higher education. During this time, the typical college or university was most often public, popular, and tied to the interests of local communities. Wealthy millionaires generously supported these institution and public taxes enabled the rapid expansion of institutions across America. The rapid growth of public schools, particularly in the South, signaled the triumph of White Supremacy, and therefore an aggressive and brutal opposition to the education of African Americans (Anderson, 2002).

From Reconstruction through World War II, African American students were largely enrolled in private black colleges and universities (Anderson, 2002). Many colleges were established and maintained by northern mission societies such as the American Missionary Association, but African American religious philanthropy also established a significant number of colleges. By 1900, these private institutions were virtually excluded by various states from the general development of publicly supported higher education. Since more than 90 percent of African Americans lived in southern states where tax support for higher education was virtually non-existent, the vast majority of black students resided in states with no publicly supported higher institutions for blacks. By 1968, 80 percent of all African Americans who were awarded undergraduate degrees received them from Historically Black Colleges and Universities (Anderson, 2002). A relatively small group of African American students were educated in northern institutions (Nidiffer, 2003).

The civil rights movement helped to transform higher education institutions. As the

movement broadened, government and educational institutions were forced to change long standing policies and practices that kept students of color from dominant educational institutions. By the end of the 1960's virtually all leading U.S. institutions of higher education had initiated policies and programs to include more students of color in undergraduate and graduate professional education (Anderson, 2002). With an increase in minority students, came a more complex and dynamic racial climate on historically white college campuses.

During the 1980's, the bulk of student activism was related to racial issues. During this time, the world was focused on South Africa and its apartheid policies as well as racial incidents occurring in America. Student activists often demonstrated, demanding the university recognize inequalities of race and during this time, more than two hundred campus incidents received attention in the press between 1986 and 1988 – it was during this time that demands for more diverse curriculums were heard the loudest. During the 1990's, ethnic studies programs and departments began to make new strides in scholarly contributions and by the end of the 1990's, there were over seven hundred ethnic studies programs and departments on campuses across the United States (Altbach, Lomotey & Rivers, 2002).

A new racial climate has emerged on modern campuses. There exists a growing opposition to civil rights-era policies to provide support services for African American college students, there are increasing demands for more multiethnic institutional changes, and changing racial ideologies that college students from distinct ethnic backgrounds bring diverse campus communities (Bowman & Smith, 2002). The racial composition of the current condition of U.S. higher education is complicated. Although enrollment of underrepresented groups has slowly increased, the gap between white student enrollment and that of other groups has not.

The inclusion of a significant number of underrepresented students on campus has

implications for academic institutions that are not clearly understood. At the time higher education institutions were heavily recruiting black students, most failed to provide adequate support services for these students. Not surprisingly, dropout rates were extremely high. However, the programs later designed to provide support proved financially expensive and strained staff resources, creating resentment not only from white students but from faculty and staff as well (Bowman & Smith, 2002). Because the professorate of most institutions is rather conservative on matters relating to university change, many have resisted structural and curricular changes aimed at supporting underrepresented students (Altbach, Lomotey & Rivers, 2002). This attitude increases the demand for a more diverse and understanding professorate.

In the last quarter century, faculty of color have increased on campuses across America by less than 6 percent. In fact, no one ethnic/racial group has grown by more than 2 percent over the last twenty-five years. Similarly, women of color have increased their representation by only 7 percent since 1989. The representation of faculty of color on campuses nationwide varies as well. The largest representation of faculty of color is at public two-year institutions where, in 1998, approximately 12 percent of the faculty were identified as persons of color. Faculty of color comprised less than 9 percent of the faculty at public four-year colleges and universities in 1998, marking only a 3 percent increase since 1972. These patterns also hold true for women of color who had the largest representation in public schools and the smallest representation in private schools (Villalpando & Delgado Bernal, 2002).

The underrepresentation and low academic status of faculty of color, in particular black women, has a significant impact on the current minority student population. The absence of faculty of color lessens the probability that students of color will complete graduate and professional programs at the same rate as white students (Allen et al., 2002). The most

persistent, statistically significant predictor of enrollment and graduation of African American graduate and professional students is the presence of faculty of color and institutions that are successful in recruiting and retaining black faculty do a better job of recruiting, enrolling, and graduating black students than those with few or no black faculty members (Allen et al., 2002). Women faculty of color often encounter obstacles that limit their ability to position themselves favorably in academia. Female faculty are often overburdened and often have inflexible research expectations leveled against them (Allen et al., 2002).

Female faculty of color often find themselves overburdened with departmental, university and community obligations. In addition to standard committees, black female faculty members are often expected to serve on committees dealing with issues of color and gender, race relations, recruiting faculty and students of color, university relations and community outreach (Allen et al., 2002). Faculty report viewing improving campus relations, enlarging opportunities for female students/faculty of color and strengthening support systems for non-traditional students as exceptionally important, but they undertake this work at the cost of reducing their efforts in other areas (Allen et al., 2002).

Faculty members of color often feel overwhelmed by their position as mentor (Allen et al., 2002). Because of a sense of obligation to their students, faculty members become mentors to many more students than is typical for their white and male peers. Most white institutions employ only a few faculty of color and few women and therefore students seeking authorities on race and gender or supportive role models who share their experiences are drawn to a very small group of women for direction and moral support.

Advisors who share a cultural background with their students are more likely to understand that student’s experience; however, this understanding is not always based on the

advisor's educational background, and is often related to their own life experience as a member of the cultural group (Mitchell & Rosiek, 2005). Because of the volumes of students they mentor, their research and publication efforts may be postponed. The evaluation process for faculty of color typically gives little consideration to the effects excessive counseling, advising, mentoring or committee work has on their ability to publish meaningful work (Allen et al., 2002).

While many factors influence the lack of progress for faculty of color, most of the responsibility lies in the structure, policies and practices leading hiring, retention, and promotion (Villalpando & Delgado Bernal, 2002). One of the most destructive perceptions held by higher education and white faculty is that faculty of color are hired because of some sort of desire to fulfill "quotas" or that they are hired because they are members of a minority group; not because they possess the qualifications for the position (Villalpando & Delgado Bernal, 2002). Higher education must understand the potential benefits of hiring faculty of color. Not only are faculty of color as qualified as their white counterparts, but the cultural resources they contribute are invaluable (Villalpando & Delgado Bernal, 2002).

Hiring committees can help alleviate these misconceptions about faculty of color by developing recruiting strategies and job descriptions that take into consideration the cultural resources and knowledge that faculty of color contribute to the learning environment. Also, institutions could do more to actively recruit faculty of color by offering specific types and level of support to ensure the success of faculty of color in their departments. In fact, some universities have developed innovative approaches to recruiting that have proven successful.

One such institution offered faculty of color innovative forms of support during their early years such as reduced teaching responsibilities, research funding, technological support and

limited time off to engage in research and writing. These strategies conveyed to the faculty the institution's commitment to hiring faculty of color and their commitment to faculty success. These strategies also represent the acknowledgement that faculty of color face certain barriers that white male faculty members do not (Villalpando & Delgado Bernal, 2002).

Once faculty are hired, retention and promotion prove to be among the most volatile departmental issues. Analysis of the promotion and tenure process found that the process does not acknowledge how institutional racism influences the operating procedure of institutions. The promotion procedure at many colleges and universities claims objectivity, yet devalues the cultural resources that faculty of color add to the institution's culture. If higher education were to embrace this knowledge, enhanced scholarly creativity could develop. Promotion and tenure reviews do not place high value on this type of scholarship and therefore the talent of scholars of color is not fully recognized by higher education (Villalpando & Delgado Bernal, 2002).

Collegial limitations. A limitation of the collegial institution's shared governance model is that a condition for its success is that it be comparatively small. Collegiality can probably best be maintained only where regular face-to-face interaction provides the necessary tools of coordination and where programs are integrated enough to establish a coherent culture; because of these criteria, size is probably a necessary condition of a collegium and limits the possibility of the development of collegiality to smaller campuses. For large universities, the best model for a shared governance approach to donation acceptance would be a collegium subgroup.

Predators: Who are the venture philanthropists? Perhaps bolstered by a solid case for support made public by state budget decisions, universities are currently beneficiaries of the largest private gifts in the history of education. Much of modern philanthropy in the U.S. rests on the donations of the very wealthy. Nine out of ten families in the top fifth of the income

distribution contribute to charity each year compared to six in ten families from the bottom fifth (Brooks, 2006). Although less well off donors give a larger share of their income to charity, approximately two-thirds of all giving today comes from the most affluent three percent of Americans (Lenkowsky, 2007).

The tech boom of the 1990's not only created new fortunes but helped established ones grow rapidly. Despite the prominence of names such as Gates, Dell, and Packard on the wealthiest Americans list, most of the 50 largest foundations in the U.S. are products of the industrial era (Lenkowsky, 2007).

No definitive definition of the term "venture philanthropy" exists. In fact, many think that venture philanthropy is of itself, a separate and distinct subset of strategic philanthropy. Regardless of the lack of definition, venture philanthropy's emphasis is on impact, strategy, and the application of for-profit measurement and management tools for non-profit philanthropy (Libell & Chandler, 2010).

The crossover from entrepreneurship to philanthropy is becoming increasingly more common. The rise in the creation of wealth over the last three decades has produced a new generation of self-made entrepreneurs whose approaches to philanthropy are shaped by their business interests (Bishop & Green, 2008). In an effort to define venture philanthropy and understand its motivations, Jillian Gordon created a model identifying eight stages of venture philanthropy (Gordon, 2014). In her model, Gordon defines the following stages: Stage 1 - Deal Sourcing, Stage 2 - Relationship Building, Stage 3 - Co-Creation, Stage 4 - Early Decision Making, Stage 5 - Circular Reasoning, Stage 6 - Decision-Making and Deal Structuring, Stage 7 - Post Investment After Care and Stage 8 - Disengagement and return.

In Gordon's Stage 1, the philanthropist establishes a foundation from which they will manage

their philanthropy. Foundations are defined in this study as a hub of people and resources consisting of the philanthropist and the board of trustees. The board is made up of people from a combination of backgrounds with a broad array of skills, knowledge and contacts.

Prey: Why are venture philanthropists attracted to higher education? Historically, colleges and universities have benefited from their high profile visibility, their mission, and the perception of high prestige based on their longevity of operation (Marcy, 2001). Traditional donors support both their alma maters as a way to give back and support the community (Marcy, 2001). However, alumni who gravitate to venture philanthropy practices are not just motivated by altruism and an all-encompassing love for their alma mater. Venture philanthropists typically do not want to support unrestricted or endowment funds, as that is seen as perpetuating the status quo (Marcy, 2001). College administrators have found that venture philanthropy donors do not invest in tradition, but rather in issues (Marcy, 2001). Long term relationships between the colleges and venture philanthropy donors are hard to develop and sustain and even structuring a gift can be a challenge. Venture philanthropists have been known to make a commitment, give an initial gift, and then not fulfill their commitment until the college has met specified benchmarks (Marcy, 2001). Venture philanthropists are not as likely to support gifts with outcomes that are predictable. Colleges and universities have long been supported by traditional donors who are apt to support endowed professorships, scholarships, and capital projects based on a proposal defining assumptions of impact (Marcy, 2001). However, it is more difficult to get venture philanthropists to support these types of opportunities. They see the approach and the projects as a dated model of philanthropy (Marcy, 2001).

An analysis of the differences between the traditional donor and the new philanthropist suggests that venture philanthropy presents both opportunities and challenges for higher

education, (Marcy, 2001). Assuming alumni will eventually become donors has become an outdated policy that no longer applies to modern university graduates. Also outdated is the assumption that board and committee memberships are templates for engaging current and future donors (Gose, 2003; Marcy, 2001). Venture philanthropists do not respond to traditional roles and long-standing, proven strategies and they prefer to be actively involved and share their ideas for the future. They are not inclined to perpetuate the status quo and will test the university to see how well they respond to their thoughts and ideas, and then determine whether or not to move forward with developing a relationship (Marcy, 2001). Luisa Boverini was one of the first scholars to explore the effects of venture philanthropy on higher education and notes that venture philanthropists come in a variety of forms and are motivated differently (Boverini, 2005; Pulley, 2007). They are interested in openness, transparency, and flexibility. In particular, they are interested in the organization's mission (Boverini, 2005; Pulley, 2007).

Academic Freedom on Fire. Academic freedom has its origins in nineteenth century German universities, which were considered to be the best in the world at that time. The German concept was based on two principles: *Lehrfreiheit*, the freedom to teach; and *Lernfreiheit*, the freedom to learn with the latter referring to a student's right to choose a course of study and electives while the former meant that professors were free to pursue the study of their expertise with no interference from the state. The concept was widely recognized and well protected by governmental institutions (Liszaka, 2004).

The freedom to teach and learn in Germany without political consequences had a tremendous effect on German universities. The lack of constraints led to faster and more innovative research in many fields and the practice of hiring faculty for their competence rather than political favoritism led to a more competent and expert faculty. This model of better and more innovate

research and scholarship paved the way for academic freedom in the United States (Fuchs, 1963).

Over the past century, academic freedom has come to operate through three mechanisms: tenure, faculty governance and peer review. All serve to protect members of the academy from external interference and ensure that they control aspects of education for which they have primary responsibility.

Tenure is the most well-known and the most controversial. Tenure has always been crucial to the maintenance of academic freedom. Having academic freedom enables those who need it to continue their positions without worry for losing their jobs. It also serves to protect whole fields or subjects that are politically contested, for example religious and gender studies (Schrecker, 2012).

In 2004, universities reported $24.4 billion in fundraising and, by 2011, they reported $30.3 billion (Strout, 2005). Fundraising will continue to alleviate many financial concerns for higher education (Drezner, 2011). Higher education is depending on philanthropy to provide added value, underwrite budget reductions and create new and innovative programs and as the importance of fundraising grows, public scrutiny will grow along with it (Wolfe, 2002).

Venture philanthropy is poised to be a significant challenge to the university (Boverini, 2005). While venture philanthropy interjects an entrepreneurial spirit into campus fundraising, this type of philanthropy can be at odds with Birnbaum's collegial model of governance. Skeptics of venture philanthropy note, "As institutions of higher education are increasingly dependant on external donors, those responsible for financial operations have become more willing to allow donors to assert more control," (Elliott, 2006. p. 47). While donors have the right to restrict their gifts and receive stewardship reports, they should not retain the ability to dictate beyond that and

the heavy involvement thirsted for by venture philanthropists often calls for heavy involvement. This involvement may offend faculty and administration and in some cases, could potentially violate the core foundation of the university.

Venture philanthropists are changing the campus status quo (Colvin, 2005). These philanthropists often treat their donations just as they would their business transactions; they want the opportunity to be involved in the decision making and opportunity to advance their agenda. They do not donate with the intention of not being involved and consulted. Venture philanthropy often lacks transparency and the implications of this new philanthropy are not yet understood (Miller & Bellamy, 2012). Further, not only is the long term impact to universities not understood, but it is grossly under researched and examined. Shared governance, academic freedom, autonomy and academic mission could all be under fire if the impact of venture philanthropy is not studied and managed.

Venture philanthropists can be critical of how universities do business (Bornstein, 2001). This approach can result in incompatibility between university administrators, faculty and philanthropists in how they each define and understand the relationship. The balance of power and management are threatened (Wolfe, 2011).

The curious case of the Olin Foundation. Venture philanthropists continue to emerge as active and engaged donors at colleges and universities across the United States. Bill Gates, Warren Buffett, and the Koch brothers have embraced the philosophies of historical venture philanthropy moguls, like Carnegie, Rockefeller, and Stanford. The modern-day titans turned philanthropists like Gates and Buffett, purport to want to change the world with their dollars (Weiss & Clark, 2006).

If there was any single event that galvanized wealthy donors to try to take control of the

direction of higher education, it may have started with the uprising at Cornell University on April 20, 1969. That day, during parents' weekend, almost one hundred black students seized the campus student center in order to draw attention to their requests for the creation of an independent black-studies program as well as to investigate the burning of a cross outside a building where black female students lived. Given the public display and timing of the demonstration, the university's president, Dr. James A. Perkins agreed to the demands of the group which included amnesty from punishment for the protestors. According to some of the university's more conservative alumni, Perkins, a committed liberal who had opened the doors to Cornell to inner-city minority students, appeared to be bending the curriculum One alumnus and major donor to the university, John M. Olin, was particularly disturbed by Dr. Perkins' actions and began to take his philanthropy in a "bold new direction," (Blundell, 2005). According to Blundell, Olin embarked on a campaign to fund an offensive to reorient the political slant of American higher education to the right. His foundation aimed its targets at the country's Ivy League Universities knowing that these institutions were educating those who would hold future power in the country. To Olin, if these students could be trained to think like him, then he and other donors could capture the country's political future. When the Olin Foundation closed in 2005, it had spent $185 million to promote conservative ideas on college campuses. According the the Philanthropy Roundtable, an organization run for conservative philanthropists, "these efforts have been instrumental in challenging the campus left - or more specifically, the problem of radical activists' gaining control of America's colleges and universities," (Blundell, 2005).

Whether or not the Cornell uprising was the impetus for Olin's creation of a conservative foundation remains debated but in a letter to Cornell's President he wrote about the campus, "with definite left-wing attitudes and convictions. It matters little to me whether the economic

development is classified as Marxism, Keynesianism, or whatnot. Liberalism and socialism are synonymous and need very serious study and correction," (Mayer, 2016). Seeking guidance from other foundations, Olin was led by the Charles G. Koch Foundation's leader, George Pearson, to a free-market reading list that pointedly declared, "to conquer politics, one must first conquer the intellectuals," (Mayer, 2016).

To raise the stature of his foundation, Olin chose William Simon as its president. Simon had been energy czar and Treasury secretary under Presidents Nixon and Ford and was notorious for calling those he disagreed with, "stupid," (Mayer, 2016). This group included liberals, radicals, and moderate members of his own Republican Party. Simon detested idealists who worked for the well being of consumers, minorities and the environment and claimed that they wanted "the power to shape our civilization," (Mayer, 2016). In his 1978 manifesto, *A Time for Truth*, Simon argued that power should belong to the free market and claimed that a secret system of academics, media figures, bureaucrats, and public-interest advocates ran the country.

As the president of the Olin Foundation, Simon wrote that foundations must cease "the mindess subsidizing of colleges and universities whose departments of politics, economics, and history are hostile to capitalism." Instead, they "must take pains to funnel desperately needed funds to scholars, social scientists and writers who understand the relationship between political and economic liberty. They must be given grants, grants, and more grants in exchange for books, books, and more books," (Mayer, 2016).

Between 1958 and 1966, the Olin Foundation served as a bank for the Central Intelligence Agency (CIA) and during these eight years, the CIA laundered $1.95 million through the foundation. Olin regarded his undercover role as part of his patriotic duty and many of the government funds went to anti-Communist intellectuals and publications (Blundell, 2005). The

foundation invested in the activities of William F. Buckley, Jr. as well as Allan Bloom, author of *The Closing of the American Mind*, a critique of higher education from the political right. Additionally, the foundation funded Mansfield's Program on Constitutional Government at Harvard, which emphasized a conservative American government. Through these donations, the foundation ushered in a next generation of conservatives and proudly, kept track of those who their dollars influenced to pursue roles in academia. Between 1990 and 2001, 56 of those from the Harvard program continued on to teach at the University of Chicago, Cornell, Dartmouth, Georgetown, Harvard, MIT, Penn, and Yale while others became public figures in government and the media (Mayer, 2016).

The Olin foundation also created a faculty fellows program. Among the alumni of the fellows program were John Yoo, the legal scholar who authored George W. Bush's "torture memo," legalizing the torture of terror suspects. Also among the foundation's fellows were John R. Lott, Jr., author of *More Guns, Less Crime,* arguing that more guns reduce crime and that the legalization of concealed weapons make citizens safer and David Brock, author of *The Real Anita Hill,* who defended Supreme Court justice Clarence Thomas by accusing Hill of lying under oath during his confirmation hearings (Blundell, 2005).

Perhaps nowhere else did the Olin Foundation make its mark more significantly than in the field of Law and Economics. Between 1985 and 1999, the Olin foundation underwrote 83 percent of the costs for all Law and Economics programs in American law schools and gave $10 million to Harvard, $7 million to Yale and Chicago, and $2 million to Columbia, Cornell, Georgetown and the University of Virginia (Mayer, 2016). Law and Economics stressed the need to analyze laws not just for their fairness but also for their economic impact. Its proponents described it as bringing efficiency to the law rather than relying on concepts like social justice;

the philosophical thrust of Law and Economics was an emphasis on free markets and limited government (Mayer, 2016). By 1990, nearly 80 law schools taught the subject and Olin fellows in Law and Economics, starting in 1985, were winning Supreme Court clerkships at one each year. Steven Teles wrote in his 2008 book, *The Rise of the Conservative Legal Movement,* that Law and Economics was "the most successful intellectual movement in the law of the past 30 years, having rapidly moved from insurgency to hegemony," (Teles, 2008).

The Curious Case of the UNCF, Koch and Donald Trump. Koch family foundations gave $33 million to higher education in 2015 (Kotch, 2017) Led by David and Charles Koch, the Koch foundations support nonprofits, lobbying, and education. Their Kansas-based Koch Industries is the second largest private company in the country with annual revenues topping $100 billion. Koch Industries controls thousands of miles of oil pipelines from Alaska to Texas; fertilizers, minerals, and biofuels in addition to Brawny paper towels, Dixie Cups, and Lycra.

Since the 1970's, Koch foundations have funded higher education, giving large donations to economics programs at hundreds of colleges and universities in the U.S. Charles Koch has urged his friends to focus on attracting youth because "this is the only group that is open to a radically different social philosophy," (Mayer, NYT). At a 1976 Koch gathering, libertarian historian Leonard Liggio recommended the Nazi authoritarian tactic of creating a youth movement and building group identity; Liggio went on to become president of the Koch-funded Institute for Humane Studies at George Mason University (Kotch, 2017).

Charles Koch and Richard Fink wrote "The Structure of Social Change," a concept paper that introduced the concept of funding higher education in order to educate students on the benefits of free-market capitalism. Reminiscent of the Olin model, the Kochs have used their wealth to fund private research centers and think tanks embedded in universities to create protected positions

they could use to launch their ideas in the mainstream (Schirmer and Apple, 2016). By doling out millions to cash strapped universities - the Koch family has created a network of intellectuals, researchers and teachers obliged to propagate research and analysis. Rather than making unrestricted donations to the universities, they specifically earmark their donations to create institutes within the university to promote their conservative views and to fund studies of economic freedom - by employing this restricted donation strategy, the Koch brothers control their gifts ensuring their donations would be used to promote agendas while appearing to be supportive of the institution (Mayer 2006).

A 2012 report in Academe documented the breadth of a Koch donation at Florida State University (FSU). Within FSU's Economics Department, Koch got to "assign specific readings, select speakers brought to campus and instruct them with regard to the focus of their lectures, shape the curriculum with new courses and specify the number of students in the courses, name the program's director, and initiate a student club," (Kamalakanthan, 2013).

George Mason University (GMU) is the recipient of the largest amount of Koch funding over the years having received $105 million between 2005 - 2016 earning it the nickname of "Koch U," (Kotch, 2017). A $10 million grant to GMU's law school changed its name to honor the late, conservative Supreme Court justice Antonin Scalia. In 2015, the school received nearly $18 million including $4.6 million to fund the Institute for Humane Studies, a libertarian, on-campus think tank that offers scholarships, faculty funding, seminars, conferences, reading groups and career advice and the Koch Foundation also funds the GMU economics department and its Law and Economic Center - a concept first introduced by the Olin Foundation (Kotch, 2017).

In 2015, Texas Tech received more than $2 million from the Charles Koch Foundation to

fund the school's Free Market Institute, a think tank that also received $1.4 million in public money from a state incentives program. The director of the Free Market Institute, Benjamin Powell, a GMU alumnus is a member of the executive committee of the Association of Private Enterprise Education, an organized funded by the Koch family that holds annual gatherings where Koch-funded professors, think-tank researchers and private industry representatives share strategies for creating and expanding free-market programs at universities (Mayer, 2016).

Utah State University received over $1.3 million from the Koch Foundation and the Koch Institute in 2015. The foundation supports tenure track professors at the business school's Institute of Political Economy and several of its faculty also are employed at the Koch Foundation. One faculty member, Chris Fawson, is working on "business school and faculty research initiatives sponsored by the Foundation," (Kotch, 2017).

In January 2017, it was announced that the Koch Foundation was to donate $25 million over 5 years to the Thurgood Marshall College Fund (TMCF) for research of fragile communities (Clay, 2017). Defined as one in which residents - no matter their race or ethnicity - face significant barriers to opportunity, fragile communities are characterized by crime, poverty, despair and joblessness. The TMCF has pledged to create the Center for Advancing Opportunity to research and provide solutions for these communities with a focus on criminal justice, education, and entrepreneurship. The irony, of course, is that the TMCF has partnered with an organization who has been proven to lobby for policies that keep these communities fragile and the civil rights pioneer for whom the TMCF is named would likely never have approved of such a partnership. The Center will provide funding for three HBCUs to participate in the initiative while individual professors will have the opportunity to seek annual funding for a sum of up to $1 million for 5 years. Funding will also be allocated for doctoral students as well as those

pursuing fellowships and the students must major in the social sciences including education, economics, sociology and criminal justice. $6.6 million will be used for overhead, including salaries for the TMCF staff, travel expenses, summits and miscellaneous costs. Additionally, TMCF has contracted with Gallup research for in-community polling and research. According to TMCF, Gallup will create an Opportunity Index aimed at gleaning real opinions, beliefs, and attitudes from people living in these communities (Clay, 2017).

In June 2014, Michael Lomax, Ph.D., Chief Executive Officer of the United Negro College Fund (UNCF) was caught on audio, while at the Koch brothers' annual conservative strategic planning retreat, mocking critics of the $25 million Koch scholars partnership between the UNCF and the Koch Foundation for depicting it as mind control and explaining how he fought the critics by winning over radio host Tom Joyner. Lomax was serving on a panel billed as helping the Kochs and their friends drive the national conversation by partnering with unlikely allies to help the unfortunate (Walsh, 2014). The panel was started by Fink who had just prior moderated a session in which he demonized the collectivist approach of President Barack Obama and the Democrats as leading the country into depression, addiction and where he claimed that raising the minimum wage could lead to fascism (Walsh, 2014). In his opening statements, Fink praised Prescott Bush, Eli Lilly and John Rockefeller for also supporting the UNCF while the Lomax described the UNCF as "not big idea people. We're not ideological. We're just trying to move a needle," (Walsh, 2014). During his remarks, Lomax mocked critics who claimed the Koch scholars programs promoted mind control and he defended the organization's focus on free market economics. Additionally, he hoped that the Koch scholars would eventually get jobs at "great companies like Koch Industries:"

Lee Saunders, president of the public employee union, the American Federation of State,

County and Municipal Employees (AFSCME), decided to find another partner for its own scholarship program for students of color after Lomax's appearance at the Koch's conservative strategy planning retreat. Saunders suggested that the Koch family has tried to dismantle the African-American middle class through their support of organizations such as the Tea Party and efforts like voter suppression. In a letter to the UNCF, Saunders called the Kochs, "the single most prominent funders of efforts to prevent African-Americans from voting." He furthered that the Koch's attempts at a well funded strategy to train up a class of black conservatives was "a betrayal of everything the UNCF stands for," (Clawson, 2014).

Lomax was also instrumental in arranging a meeting between the Donald J. Trump Administration and presidents from the country's HBCU's. According to the President's office at Xavier University of Louisiana, HBCU leaders were encouraged by the UNCF to attend "as a condition of continued funding," (D. Baker, personal communication, February 20, 2017). In a statement, Lomax stated that the school leaders had been looking forward to "meaningful actions" and "additional resources and investments," (Tesfaye, 2017). What was intended to be a listening session between the leaders and the administration was interrupted by a surprise visit and photo opportunity by President Trump. Dillard University President Walter Kimbrough was appalled by the bait and switch and wrote, "There was very little listening to HBCU presidents today — we were only given about 2 minutes each, and that was cut to one minute, so only about 7 of maybe 15 or so speakers were given an opportunity today," (Kamenetz & Turner, 2017). According to a memo from the President of Xavier University of Louisiana, Reynold Verret, Ph.D. (Personal Communication, March 4, 2017), the leaders were "unexpectedly invited into the Oval Office to meet President Trump, who later issued an Executive Order on HBCUs." President Verret also wrote:

> Although political capital may accrue to the administration, my concern is tangible benefit to Xavier. It is vital that HBCU presidents be present when decisions concerning our destiny are made. As the saying goes, " If you are not at the table, then you're on the menu."

During the photo opportunity, Trump spoke to leaders and furthered his idea of a "New Deal" for Black America - the crux of which is returning jobs to the U.S. by rebalancing the trade deficit and improving education through school choice. Betsy DeVos, the U.S. Secretary of Education furthered President Trump's proposal by adding, "HBCUs are real pioneers when it comes to school choice. "They are living proof that when more options are provided to students, they are afforded greater access and greater quality. Their success has shown that more options help students flourish," (Kamenetz & Turner, 2017). DeVos' comments immediately came under fire and criticism from those who recognized that HBCUs were created in response to widespread racial segregation. They weren't just another choice, critics pointed out, they were often the only educational avenue for black students with some comparing her comments to the mocking idea that segregated water fountains were merely about having beverage options (Douglas-Gabriel & Jan, 2017).

Summary

From nearly the beginning of individual giving to the colleges, donors influenced decision making at the colleges they supported, thus, creating a battle between college and donor over who had the right to define the curriculum and to pick the scholar to occupy the chair (Thelin, 2004). Recent and dramatic declines in state funding for higher education have resulted in decreased revenue and as a result, universities are stepping outside of their traditional fundraising boxes to support themselves. Universities are becoming more market driven,

seeking additional external resources and doing business differently in order to meet the pressures of competition and to meet the goals of the university (Drezner, 2011). Venture philanthropy presents both opportunities and challenges for higher education, (Marcy, 2001). Assuming alumni will eventually become donors has become an outdated policy that no longer applies to modern university graduates. Also outdated is the assumption that board and committee memberships are templates for engaging current and future donors (Gose, 2003; Marcy, 2001). Venture philanthropists do not respond to traditional roles and long-standing, proven strategies and they prefer to be actively involved and share their ideas for the future. They are not inclined to perpetuate the status quo and will test the university to see how well they respond to their thoughts and ideas, and then determine whether or not to move forward with developing a relationship (Marcy, 2001).

These philanthropists often treat their donations just as they would their business transactions; they want the opportunity to be involved in the decision making and opportunity to advance their agenda. They do not donate with the intention of not being involved and consulted. Venture philanthropy often lacks transparency and the implications of this new philanthropy for the university are not yet understood (Miller & Bellamy, 2012). Further, not only is the long term impact to universities not understood, but it is grossly under researched and examined.

CHAPTER III

METHODOLOGY

Chapter II presented a comprehensive literature review covering the history of philanthropy in higher education, the evolution of philanthropic donors and their donations, the current higher education financial crisis and modern examples of the impact of venture philanthropy on campuses across the United States. Birnbaum's (1998) model of the collegial institution was also presented.

Chapter III presents the methodological framework of case study that grounds this study. Additionally, this chapter defines the framework of constant comparison which will be used to analyze the data uncovered through case study methods of interviews and data collection. By utilizing constant comparative analysis, emerging themes will be identified and framed against the theoretical framework of Birnbaum's collegium.

Research Purpose

The rationale for conducting this study emerges from recent and dramatic declines in state funding for higher education. As a result of decreased revenue, universities are stepping outside of their traditional fundraising boxes to support themselves. Universities are becoming more market driven, seeking additional external resources and doing business differently in order to meet the pressures of competition and to meet the goals of the university (Drezner, 2011).

Building upon the research of Merchant (2014), this study sought to determine whether the traditional collegial model of shared governance could accommodate the emergence of venture philanthropy in a way that protects and enhances the mission, vision, and values of the university. To achieve this goal, the following research questions have been identified:

1. Can the traditional university model of shared governance accommodate the emergence and acceptance of venture philanthropy?

a. Can the acceptance of venture philanthropy adversely impact the culture and norms of a university including affecting the curriculum?

b. Can a shared governance model for the acceptance of venture philanthropy safeguard the university against threats against academic freedom?

2. Has shared governance been employed in the acceptance of venture philanthropy at two collegial liberal arts universities in the Southeastern United States?

a. Who was involved in the acceptance of the venture philanthropy ?

b. What are the gift acceptance policies at these institutions?

These research questions seek to both define and support the significance of the study. As a result, this study utilized qualitative case study methods to uncover information regarding venture philanthropy as it relates to Birnbaum's (1998) model of the collegial institution.

Research Design

This study was executed using a multi-case study design to approach the research. Yin (2003) advocates for multiple case studies because they are more compelling and add greater depth to the findings as opposed to using just one case study. Creswell (2007) notes that a good case study analysis employs research from multiple sources; therefore, interviews will be conducted with eight different administrators, university development staff, faculty members and one venture donor as the primary instrumentation.

According to Yin (2003), a case study design should be considered when the focus of the study is to answer "how" and "why" questions, when the researcher cannot manipulate the

behavior of those involved, when the researcher wants to cover contextual conditions because they believe they are relevant to the phenomenon being studies or the boundaries are not clear between the phenomenon and the context. A multiple case study should be used when the researcher wants to explore differences between cases. The goal is to replicate findings across cases and because comparisons will be drawn, it is important the cases are selected so that the researcher can predict similar results across cases or predict contrasting results (Yin, 2003).

One of the limitations of case study is the tendency for researchers to attempt to answer a question that is too broad or a topic that has too many objectives for just one study. Yin (2003) and Stake (1995) suggest that placing boundaries on a case can prevent this from happening. Creswell (2003) suggest binding cases by time and place, time and activity or by definition and context. Binding the case ensures the study remains reasonable in its scope.

The results from this study can provide administrators with a deeper understanding of the impact of venture philanthropy on the university and how the acceptance of donations can fit within Birnbaum's (1998) collegial model of shared governance. As a result of the research presented, administrators can create policies and procedures that serve to safeguard the mission and integrity of the university.

Sample

The two liberal arts universities were chosen as a result of their fundraising success and because both have been recent recipients of donations from venture philanthropists. The two universities differ only slightly in size, prestige and academic rigor. Both are southern universities who value the liberal arts. Both institution's names and identifiable characteristics will be changed throughout this study to guarantee confidentiality and to limit the ability identify the institution. For the purpose of this study, the two institutions will be known as Hayes

University and Stanwood University.

Hayes University. Hayes University is a Southern, private university that was founded over 100 years ago and enrolls more than 3,500 students including more than 2,500 undergraduates. 91 percent of its faculty hold terminal degrees and the university has 60 undergraduate programs. 90 percent of its students receive financial aid. The university is tuition driven and depends on fundraising to enhance capital projects and programs. Of significance is that Hayes is currently completing its largest capital campaign in which a gift of venture philanthropy was accepted. The capital campaign raised $45 million for the university.

The mission of Hayes is to welcome students of diverse backgrounds and prepare them to lead meaningful lives with and for others; to pursue truth, wisdom, and virtue; and to work for a more just world. Inspired by Catholicism, the university is grounded in the liberal arts and sciences, while also offering opportunities for professional studies in undergraduate and selected graduate programs. The faculty, in cooperation with the staff, strives to educate the whole student and to benefit the larger community. The university's president has served in the position for 20 years.

The vision of Hayes University is to be an academic community dedicated to the education of the whole person with the goal of inspiring students to embody ideals of faith, truth, justice, and service. To meet these future goals, Hayes will strive to become an increasingly selective university with outstanding liberal arts and sciences, professional, and graduate programs grounded in intellectual rigor.

The U.S. Department of State's Bureau of Educational and Cultural Affairs named Hayes among the Top U.S. Fulbright Producers for the 2015-2016 academic year. Recipients of Fulbright grants are selected on the basis of academic and professional achievement, as well as

demonstrated leadership potential. Hayes was named to the President's 2015 Higher Education Community Service Honor Roll, which highlights the role colleges and universities play in solving community challenges. According to the Honor Roll, as a result of the university's efforts, more students are likely to pursue a lifelong path of civic engagement that achieves meaningful and measurable outcomes in the communities they serve. Hayes was also ranked fifteenth nationwide among master's universities for the number of graduates who go on to successfully receive doctoral degrees and thirty-fifth nationwide for the number of alumni who join the Peace Corps by Washington Monthly.

Stanwood University. Stanwood University is a Southern, private university that was founded 75 years ago and enrolls over 3,000 students. 97 percent of its faculty hold terminal degrees and 95 percent of its students receive financial aid with more than 65 percent of the university's students receiving Pell grants. The university is tuition driven and depends on fundraising to enhance capital projects and programs. Stanwood University is currently in the quiet phase of a multi million dollar capital campaign and has received a gift of venture philanthropy. The goal of the campaign is to raise $30 million for the university. The University's unrestricted operating revenue is more than $100 million, while the current value of its endowment is more than $152.5 million.

The University's Office of Admissions strives to enroll a student body that is diverse and in keeping with the offerings within the colleges of the University. The average ACT and SAT scores for entering freshmen in 2015 were 22.7 and 994, respectively. In maintaining its historic commitment to academic excellence, the University attracts many students who are high achievers, yet it remains committed to admitting a certain percentage of "at risk" students who exhibit the will to succeed. The retention rate of first-time freshmen is 73.9%.

Sampling

Purposive sampling was used to identify the participants for this study. As utilized in qualitative and mixed methods research, purposive sampling is the process of selecting research subjects rather than starting with a predetermined sampling. Researchers often utilize a purposeful sampling technique to select informants based on their particular knowledge of, and/or experience with, the focus of the inquiry (Johnson & Christensen, 2014). Purposive sampling is a nonrandom technique the researcher uses to solicit subjects with specific characteristics to participate in a study and is used to best help the researcher understand the problem and research question (Creswell, 2014).

Participants

For the purposes of this study, higher education fundraisers were chosen as a result of their experience in the field of higher education fundraising. Eight of the participants in this study combined for 60 years of experience in the field of fundraising. Two of the participants in this study served as the top fundraising administrators at their respective universities. Four of the participants in this study were senior level fundraisers with the titles of Senior Officer or Senior Director and two of the participants of this study had less than two years experiences in the field of fundraising. This study's goal of retrieving a broad range of data through interviews was achieved by purposively sampling a group of fundraising professionals with a variety of experiences in the field. Table 1 provides a detailed profile of those interviewed.

Table 1. Participant Profiles

Participant	Institution	Description
Fundraiser #1	Stanwood	Highest ranking fundraiser at university, >17 years fundraising experience
Fundraiser #2	Hayes	Highest ranking fundraiser at university, >13 years fundraising experience
Fundraiser #3	Hayes	Senior Fundraiser >12 years fundraising experience
Fundraiser #4	Hayes	Senior Fundraiser >10 years fundraising experience
Fundraiser #5	Stawood	Senior Fundraiser >10 years fundraising experience
Fundraiser #6	Stanwood	Senior Fundraiser >4 years fundraising experience
Fundraiser #7	Stanwood	Junior fundraiser, <2 years fundraising experience
Fundraiser #8	Hayes	Junior fundraiser, <1 years fundraising experience
Faculty #1	Hayes	Associate Department Chair, >25 years at the institution
Faculty #2	Stanwood	>16 years at the institution
Faculty #3	Hayes	>15 years at the institution
Faculty #4	Stanwood	> 11 years at the institution
Faculty #5	Stanwood	> 6 years at the institution
Faculty #6	Hayes	> 2 years at the institution

Role of the researcher

Marshall and Rossman (2006) define the role of the researcher as that of an instrument. As a professional fundraiser, the researcher recognizes the range of personal perspectives brought to this study. It was necessary for the researcher to maintain an open mind throughout this study and depend only upon the techniques required by this study to inform and guide the research.

Data Collection

Interviews. Data were collected via semistructured interviews, which Fontana and Frey (2000) described as “one of the most powerful ways in which we try to understand our fellow

human beings" (p. 645). Face-to-face interviews occurred in the subject's offices or at places the subjects designated (e.g., restaurants, coffee shops) and ranged in length from 60 to 90 min. The interview questions, which focused on philanthropy and collegiality are provided in Appendix B. Each interview was transcribed verbatim to facilitate subsequent data analysis.

Interviewees were contacted by phone call to schedule an interview. A follow up email was sent to each participant confirming the time and location of their interview. The settings for each interview varied, as each interview participant was given the opportunity to select their location.

The single-participant interviews consisted of broad, open-ended questions designed to investigate the subject's perspectives on philanthropy. Subjects were probed for further information, elaboration, or clarification of responses as deemed appropriate and these semistructured interviews permitted the researcher to address the issue of trust while maintaining a feeling of openness (Kvale, 1996). The interview process allowed for participants to share their perspectives in their own words (Creswell, 2013). Questions were determined in advance based on this study's research questions and developed from literature regarding Birnbaum's (1998) theory of the collegial institution as well as venture philanthropy.

Document Review. Although interviews served as the primary method of data collection for this study, documents were also collected and reviewed in order to clarify or substantiate participants' statements and to provide thick description of the case (Esterberg, 2002).

Documents used include each university's' gift acceptance policy and standard donor agreement as well as the Donor Bill of Rights and International Statement of Ethical Principles in Fundraising.

The Donor Bill of Rights (CASE, 1993) was issued from the Council for Advancement

and Support of Education (CASE) to ensure that philanthropy would merit the respect and trust of the public. CASE is a professional association serving educational institutions and the advancement professionals who work on their behalf in alumni relations, communications, development, marketing and allied areas.

The Donor Bill of Rights states that donors should have the right to be informed of the organization's mission and how it intends to use the donation, be informed of the identity of those serving on the organization's board, to have access to the organization's most recent financial statements, to be assured gifts will be used for the purposes for which they were given, to receive appropriate acknowledgement and recognition, to be assured that information about their donation is handled with confidentiality, to expect that all relationships with individuals representing the organization will be professional, to be informed whether those seeking donations are volunteers or employees, to have the opportunity for their name to be removed from mailing lists than an organization intends to share and to feel free to ask questions when making a donation and to receive prompt and truthful answers (See Appendix D).

The International Statement of Ethical Principles in Fundraising was issued by the Association of Fundraising Professionals (AFP). The AFP represents more than 30,000 members in over 230 chapters throughout the world, working to advance philanthropy through advocacy, research, education and certification programs. The association fosters development and growth of fundraising professionals and promotes high ethical standards in the fundraising profession. The purpose of AFP's Statement is to foster the growth of a worldwide community of fundraising dedicated to transparency, accountability and effectiveness. The intent of the Statement is to unify the global fundraising community behind a single universal declaration of fundamental principles and it provides guidance for initiating best practices in newly developing

markets (See Appendix E).

Interview Protocol. Interview protocol is a data collection instrument that includes the items, instructions and responses for an interview (Johnson & Christensen, 2014). The interview protocol in qualitative interviews is essentially a script written by the researcher and read by the interviewer to the interviewees. The interviewer records the interviewee's responses on the protocol and the questions are usually written on paper for an in-person interview (Johnson & Christensen, 2014). Creswell (2014) recommends interviewers record information by making handwritten notes, by audiotaping, or by videotaping and suggests interviewers always take notes in the case that recording equipment fails. Creswell (2014) outlines the components of an interview protocol including instructions for the interviewer, the questions, and a final thank you statement from the interviewer to the interviewee. For the purpose of this study, interview questions were created to align with the study's research questions (See Appendix B).

Data Analysis

Data analysis is critical to qualitative research, including case study design (Basit, 2003). The purpose of data analysis is to, "determine the categories, relationships and assumptions that inform the respondents' view of the world in general of of the topic in particular," (Basit, 2003, p. 143). The process of data analysis involves preparing the data for analysis, conducting different analyses, moving deeper and deeper into understanding the data, representing the data, and making an interpretation of the meaning (Creswell, 2014).

Data was analyzed using the constant comparative analysis method. Constant comparison is an inductive data analysis procedure in grounded theory research of generating and connecting categories by comparing incidents in the data to other incidents, incidents to categories, and categories to other categories. The overall intent is to "ground" the categories in the data

(Creswell, 2014).

Constant comparative analysis involves constant interplay between the researcher, data and the theory. Because of the researcher's active role in the process, Johnson & Christensen (2014) suggest that the researcher maintain theoretical sensitivity by thinking effectively about what kinds of data need to be collected and what aspects of the data already collected are most important for the grounded theory:

> It involves a mixture of analytic thinking ability curiosity, and creativity. The theoretically sensitive researcher is able to ask questions continually of the data to develop a deeper and deeper understanding of the phenomenon. Over time, the theoretically sensitive researcher is able to develop a grounded theory that meets the criteria of fit, understanding, generality and control (p. 460).

One of the unique parts of the constant comparative method is its approach to analysis, as it relies on three stages: open coding, axial coding and selective coding. Open coding is the first stage of the analysis and begins after some initial data have been collected and involves examining the data and then naming and categorizing elements in the data (Johnson & Christensen, 2014).

Axial coding follows open coding and at this stage, the researcher develops the concepts into categories and then organizes them (Johnson & Christensen, 2014). The researcher then looks for possible relationships between the categories them. The goal of this stage is to show how the phenomenon operates.

Selective coding is the stage at which the researcher looks for the storyline of the theory by reflecting on the data and the results produced during open and axial coding. It is during this stage that the researcher writes the story and explains the grounded theory. Selective coding also involves rechecking the theory with the data to ensure no mistakes were made. During this stage, the researcher also refers to the literature for additional ideas to consider during the

development of the theory.

A number of frameworks have been developed to evaluate the rigor assess the trustworthiness of qualitative data (Lincoln & Guba, 1985). As a basic foundation to achieve trustworthiness, researchers need to ensure enough detail is provided so that readers can assess the validity or credibility of the work. Researchers have a responsibility to ensure that the case study research questions are written clearly, purposeful sampling has been applied, data are collected and managed systematically and the data are analyzed correctly (Russell, Gregory, Ploeg, DiCenso, & Guyatt, 2005). As data are collected and analyzed, researchers also must integrate a process of member checking, where the researchers' interpretations of the data are shared with participants, and the participants have the opportunity to discuss and clarify the interpretation and contribute new or additional perspectives on the issue (Krefting, 1991). For the purposes of this study, member checking was employed with each interviewee.

Prior to seeking participants for this study, an application was submitted to and approved by Louisiana State University's Institutional Review Board (IRB) for approval to conduct research.

Chapter Summary

The goal of this study is to better understand the impact of venture philanthropy on the University. Utilizing a qualitative case study approach, two universities were selected based on their experiences of accepting a gift from an individual that embodied the principles and concepts of venture philanthropy. Interviews were conducted with university faculty and staff as well as a venture philanthropist.

Data were organized, coded and categorized and during the analysis, themes were identified. After themes were captured and connections made, the cases were compared against both the

themes and the literature. After analyzing for patterns, the two cases were compared and contrasted using the themes.

CHAPTER IV

FINDINGS

Introduction

The purpose of this research was to determine whether the model of shared governance could accommodate the emergence of venture philanthropy in a way that protects the mission and vision of the university. By engaging in in-depth interviews with a variety of university stakeholders, the researcher sought to answer the following research questions and subquestions:

1. Can the traditional university model of shared governance accommodate the process by which venture philanthropy is accepted?
    a. Can the acceptance of venture philanthropy impact the culture and norms of a university including affecting the curriculum?
    b. Can a shared governance model for the acceptance of venture philanthropy safeguard the university against threats against academic freedom?
2. Has shared governance been employed in the acceptance of venture philanthropy at two collegial liberal arts universities in the Southeastern United States?
    a. Who was involved in the acceptance of the venture philanthropy ?
    b. What are the gift acceptance policies at these institutions?

The case study methodology used to conduct this study included numerous interviews with staff and faculty members. The two case study institutions were chosen based on their experiences with venture philanthropists. Four themes emerged from the data analysis that bring a deeper understanding of the relationship between the collegial model of shared governance and venture philanthropy. These themes are grouped into categories based on Birnbaum's model of

the collegial institution: 1) the need for a shared governance model for philanthropy; 2) unclear gift acceptance process and policies; 3) unclear university vision; 4) the need for presidential leadership. Table 2 provides an overview of the themes derived from the analysis:

Table 2. Themes

Birnbaum's Characteristics of the Collegial Institution (1988)	Themes
Informed and involved faculty: "Collegiality is the right of faculty to participate in institutional affairs, membership in a "congenial and sympathetic company of scholars in which friendships, good conversation, and mutual aid can flourish," and the equal worth of knowledge in various fields that precludes preferential treatment of faculty in different disciplines."	The need for a shared governance model for philanthropy
Shared values: "As people in a group interact, share activities, and develop common values, the group develops norms - expectations about what people do in a given situation."	Common mission, uncommon philanthropic vision
Consensus: "Real consensus arises when open discussion is possible and expected, when participants feel that they have had a fair chance to state their position and to influence the outcome, and when people are comfortable about supporting the chosen alternative even it it was not their first view."	Lack of transparent gift acceptance policies
Aggressive and action oriented leader: "Groups expect their leaders to be aggressive and to initiate action. If a group expects a leader to make certain decisions, the leader must make them or she will lose status. This is particularly true in emergency situations when any failure on his part to initiate interaction, to take the initiative...will make him that much less the leader."	The President as Chief Fundraiser

Table 3 reveals the major themes in this study as well as subthemes. For this study, findings are reported through analysis of the participants' understandings of shared governance and of their experiences with accepting donations, in particular venture donations at their universities and themes are presented through comparative analysis of the two institutions.

Table 3. Themes and Subthemes

Themes	Subthemes
The need for a shared governance model for philanthropy	Transparency, Communication, Shared Ownership
Common mission, uncommon philanthropic vision	Strategic Plan, Purpose, Change in Faculty Structure
Lack of transparent gift acceptance policies	Donor Intentions, Restricted Donations, Curriculum
The President as Chief Fundraiser	Board of Governors

Participants

For the purposes of this study, the two liberal arts universities were chosen as a result of their fundraising success and because both have been recipients of donations from venture philanthropists. The two universities differ only slightly in size, prestige and academic rigor. Both are universities located in the Southeastern area of the United States who value the liberal arts and whose origins are both religious. Interviewed for this study were a total of eight fundraising professionals and six faculty members.

Hayes University. Hayes University is a private university in the deep South of the United States that was founded with religious purpose over 75 years ago and enrolls over 3,000 students. 97 percent of its faculty hold terminal degrees and 95 percent of its students receive financial aid. The university is tuition driven and depends on fundraising to enhance capital projects and programs. Hayes University is currently in the quiet phase of a multi million dollar capital campaign and has received a gift of venture philanthropy. The goal of the campaign is to raise $30 million for the university. In total, four interviews were conducted with senior

fundraising staff and four with faculty members. Gender distribution was even with four of the senior fundraising staff and faculty interviewed being women. Access to the subjects was not difficult, as no one refused the meeting requests. Interviews were conducted in the office of each individual. My initial interviews were conducted over two days on campus with member checking occurring two weeks later.

Each of the interviewees offered a unique perspective. Each interviewee was extremely candid and it did not appear that anyone was nervous or reluctant to answer the questions. Each interviewee was given an explanation of the research and each subject appeared to be comfortable with the interview questions and the structure of the interview.

Stanwood University. Stanwood University is a private university in the deep South of the United States that was founded with religious purpose over 100 years ago and enrolls more than 3,500 students including more than 2,500 undergraduates. 91 percent of its faculty hold terminal degrees and the university has 60 undergraduate programs. 90 percent of its students receive financial aid. The university is tuition driven and depends on fundraising to enhance capital projects and programs.

Stanwood University is currently completing its largest capital campaign in which a gift of venture philanthropy was accepted. The capital campaign raised $45 million for the university. Interviews were conducted at Stanwood over the course of several weeks. In total, four interviews were conducted with senior fundraising staff and four with faculty members. Gender distribution was fairly even with three of the senior fundraising staff and faculty interviewed being women. Access to the subjects was not difficult, as no one refused the meeting requests. Interviews were conducted in the office of each individual. My initial interviews were conducted over three days on campus with member checking occurring two

weeks later.

Themes

The administrators, faculty and staff interviewed at Stanwood University and Hayes University were honest and transparent. Their thoughtful conversations regarding shared governance and philanthropy at their university helped to identify themes for this study and proved to be rich data from which several conclusions can be drawn.

Theme One: The Need for a Shared Governance Model for Philanthropy

Each interviewee was asked about their understanding of shared governance and its relation to campus fundraising. Most of the junior fundraising professionals were not familiar with the term and could not distinguish the theory's role in their work. Fundraiser #8 stated, "I'm not familiar with this term, but I feel like I should be." However, all of the senior fundraising professionals at both universities responded that they understood shared governance, with Fundraiser #1 stating:

> Shared governance allows me to be successful at what I do. Shared governance sets the guidelines regarding the various roles of faculty, board members and administrators. We share responsibility for achieving goals that are in the best interest of the university.

Fundraiser #4 stated that she knew the concept of shared governance but wasn't certain it applied to her current work:

> I know the concept. I'm not sure that we've set out to specifically accomplish that here, but it happens to an extent - maybe as a result of the sheer nature of universities this size to sometimes have to be collegial. I wish we shared more responsibility for fundraising with the faculty and other staff members, it just feels like sometimes we're on our own and when we don't accomplish the university's financial goals, we're kind of like the scapegoats. Not many people think about all the pieces that should be involved that could make a really great case for funding for the university. I think it's a lack of leadership on many levels.

Faculty #4 stated, "I don't think we use collegiality to our advantage when it comes to soliciting donations for the university. I don't think it's intentional that fundraising is excluded from most faculty discussions. I've been here 15 years and I just can't ever remember ever being asked for my input."

Faculty #2 called it "need to know" shared governance, stating, "A few people around here know what's going on, but the rest do not share in it. Maybe indirectly faculty know, but only because they've heard something through the university rumor mill."

Faculty #6 remarked, "I think we have a great system of shared governance here and I think the key to that is that all faculty here are asked to serve on a committee. I believe the university really does try to do what they can to ensure an environment of collegiality."

Interviewees were asked about the philanthropic decision making process at their universities. The answers varied with junior fundraisers having a different perspective than senior fundraisers. Of the process, Fundraiser #7 stated, "For me, the process is simple; I get a check and then I complete a gift processing form which includes the contact info, the restriction for the donation if there is one and then I give the form to the Advancement Services office that processes the check." Fundraiser #3 commented,

> All donations should be processed through the Office of Institutional Advancement. Sometimes donations slip through the cracks if professors solicit them individually and we don't know about it. That creates a bit of a mess - I've gotten a large check addressed to my attention for the university before and had no idea what it was for. Can you imagine how many people will tell you yes they were expecting to receive a check from a foundation for one hundred and fifty thousand dollars when they really weren't?"

Regarding the process, Faculty #2 remarked,

> The process isn't very transparent. Or maybe transparent isn't the right word. I would say the process is muddy. I'm told from the Dean's office that I'm always supposed to call on the IA office when I need grants written to foundations, but when I reach out to them, I either never hear back or am met with some type of resistance or I'm told that my

> department isn't a priority. I'm also told that I can't write to foundations on my own. I'm damned if I do and damned if I don't.

Faculty #3 commented, "I would like to be more involved in the process and have volunteered to assist on several occasions. I don't hear from IA much, usually only when they have requests for proposals that are specific to my area."

Faculty #5 noted,

> Shared governance is one small, but important element of what makes our academic system work so beautifully. Just think about where we would be without it - what a nightmare! I can just imagine a place where the faculty are told what to do instead of being asked for input, where faculty are instructed what and how to teach. But, here, our shared governance system works. The faculty are responsible for educating the students while the administration is responsible for the day to day operations of the university. In the places where these two functions overlap, we have the space for shared governance. Shared governance is the sharing of responsibility among different groups.

There was an overwhelming definition articulated by faculty and administrators that shared governance was a group of individuals who were working together to further the mission of the university. One fundraising administrator referred to shared governance as a three tiered approach where administrators, the board of trustees and faculty leaders work together. Shared governance was also described using the following words: compromise, goals, solutions, strategic, equal.

All of the participants interviewed believe that shared governance existed in some form at their university and that it was effective in some areas. However, faculty and administrators alike noted challenges to this form of governance as it relates to fundraising. An example of a challenge presented was an environment that often lacked trust with Faculty #2 noting,

> While the university publicly prides itself on our ability to operate successfully within a model of shared governance, internally, I think there are still strings being pulled behind the scenes. I think that if you are part of the "in crowd" you know what's going on before everyone else and sometimes these people influence decisions. If you are a professor who doesn't partake in those types of politics, but rather, you are teaching and

> researching and advising and don't have time for things like faculty hunger games, then you're just kind of like a sheep being herded. In terms of being first in line for funding, I imagine that those in the inner circle are the first to have their programs funded.

Faculty and administrators alike shared the view that shared governance should be led by the faculty. Faculty #1 mentioned, as a support for faculty leadership, the high turnover of administrators stating, "I'm here for almost twenty-seven years. I can count on two hands and my feet how many Vice Presidents have come and gone during that time."

Most of the participants held the belief that they were able to impact decisions at the university. Faculty believed that with their input, administrative decision at the university were stronger with Faculty #3 explaining, "Sometimes the administration just needs a different perspective; sometimes they get so overwhelmed with operations, that they almost forget they are at a university. We have no trouble reminding them." Fundraiser #2 noted,

> I really appreciate the perspective faculty bring to discussions and decisions. The faculty that I work with are just so dedicated and helpful and bring a different perspective to my work. Whenever I am visiting with donors, I try to take a faculty member whenever I can. I don't think anyone can speak to what's happening on campus and with students as well as our faculty.

The data revealed that the level of faculty involvement in fundraising at each institution was mixed. It appeared as though most faculty involvement occurred as a matter of faculty inserting themselves or volunteering to be a part of the process, not being asked to be involved. Faculty engagement ranged from active participant to non-participant.

Transparency. Most of the faculty and staff at both Hayes and Stanwood expanded heavily on the need for transparency at their campuses. All acknowledged the importance of an environment of trust and most stated their willingness to work toward a goal of cooperation and openness. Faculty #2 stated,

> In order for this to work, everyone on this campus has to be engaged - not just the faculty.

Our board members need to know what shared governance is - most of them are not educators, they're business people, so they probably don't come from a shared governance environment - they come from a "do this or get fired" environment. I would so most of them come from a very directive driven environment. We can't assume they know what shared governance is.

Faculty #5 commented,

> One of the keys to shared governance is assessment. Almost a self assessment, if you will. Periodically, we have to take a good long look at ourselves and ask ourselves if this is working. We have to be honest with one another. And you know what? If its not working, guess what we have to do? We have to figure out how to fix it! Develop a plan and fix it!

Fundraiser #4 added,

> We don't have a large campus, so in my opinion, there's no reason why we can't commit to meet as a faculty and staff on a regular basis. I think that communication really is the key to us having a transparent campus. There is a definite breakdown of communication here and I understand the faculty's frustration. When I hear faculty members upset because they don't know what's going on, I really believe they have no idea what's going on. I think we have to fix this - it's eroding our campus and I think it will eventually have an impact on the way students are taught.

As it relates to the importance of transparency and shared governance, Faculty #4 stated,

> Shared governance means something different to everyone. Because we're not all on board with similar definitions of it, at the first bump in the road, we get frustrated and walk away from a commitment to do the hard work collectively that this university requires of us. The worst of this may cripple the university for years. If we had a transparent process - if we talked about shared governance collectively, I think these situations would be less prone to happening. I've seen some really great people become so disillusioned here because of a lack of communication and transparency.

Fundraiser #5 added to the transparency discussion by stating, "When we're all on board with the plan, when the efforts of everyone on this campus are aligned, we solve problems much better and faster."

Fundraiser #3 added,

> There are so many pressures on this university. Many of them are internal, but most of

them are external pressures that can shut this place down. A great school will come together and figure out how to move forward together. That can't happen if people don't know what's going on. Aren't we the sum of our parts? We have so many things working against us on any given day. We have to work to be more transparent. I don't think there's anyone who has a goal of us all not wanting to work together, but I can tell you that the administration better come up with a plan to keep people informed. We have way too many challenges to keep people out of the problem solving process.

As reflected in interviews with the staff and faculty of both Hayes and Stanwood Universities, transparency was identified as a necessary but missing element of shared governance on their campuses. All acknowledged the importance of an environment of trust and most stated their willingness to work toward a goal of cooperation and openness.

Communication. Many of those interviewed cited advances in technology as helping to disrupt the shared governance process. As many of the faculty explained, a crucial element of shared governance is constant communication. With advances in technology, mainly email, the faculty theorized that technology had changed this crucial element of shared governance. Faculty #4 stated,

To me, shared governance is built on constant communication. I am guilty of not practicing this. Do I pick up the phone when I need to discuss something? No. Do I ask someone to coffee or lunch to discuss? No. I send an email. And we all know how emails end up. They end up sitting in an inbox or a folder that you look at when you get a moment or when you just happen to remember to check it. This isn't great communication and it's terrible for shared governance.

Faculty #3 shared,

Communication keeps people in the loop and this is so important in shared governance. When people feel left out of the loop, that's when the chaos happens. That's when feelings are hurt, problems don't get solved, we sulk, we don't participate and we've created our own little pity party. What we've really done is alienated ourselves from our colleagues, usually created unnecessary drama and gotten nothing accomplished. Email is funny because now there's a documented trail of leaving people out of the loop! Faculty #2 added,

My interactions with people are very different now than when I first began teaching. The communications I had with people then was constant - so much so that it was often

> redundant and ad nauseum. Now I get lots of emails about things, but engage in far fewer face to face conversations - there are several reasons for this, namely the ever changing requirements placed on faculty - but I think technology plays a big part in the faculty having more superficial relationships with one another. This is a big departure from how it used to be. I think things ran much more smoothly when we saw each other and talked to each other with regularity. Things didn't really get lost in translation. I think we were kinder to each other and we knew each other so much better. We ate lunch together and we consulted with each other. Now we send emails and barricade ourselves in our offices.

Many of those interviewed, particularly the faculty members on both campuses, cited advances in technology as elements that disrupt the shared governance process. As many of the faculty explained, a crucial component of shared governance is constant communication. The faculty theorized that technology had negatively affected this crucial element of shared governance.

Shared ownership. The majority of the faculty and staff interviewed attributed a change in the perceived ownership of the university as a detriment to shared governance. Fundraiser #4 shared,

> With our previous president, it seemed like all the employees here - from those in maintenance to those in Building One - felt like they had a personal stake in the success here. People spent 20 or 30 years here and retired, there was high employee satisfaction, people were happy in their jobs and we took ownership of our decisions. That feeling seems to be gone. Employees are here for a few years and they leave, people mope around here likes its the worst job they've ever had and it seems like people don't own what they do anymore. It could be that there aren't repercussions for actions - it seems like to me that the administration doesn't want to piss people off. We've got a new president and a new provost and I think that's creating a lot of breakdowns here that we didn't have before. Things are falling through the cracks now that wouldn't have fallen before.

Faculty #1 stated,

> While nationally it seemed like our success as a university was quick, it really wasn't. It took us a long time to be a national leader. But, we only did this because we were all united around a very thoughtful and widely communicated vision for the university. The goals for the university were "our goals" - we believed in our work and what was happening. Everyone contributed what they could - we were expected to contribute on a

> high level because we bought into what the university was selling. Everyone participated and was committed.

Fundraiser #5 commented, “I think that most of us are committed to the university and to our students. We may not like everything that goes on here or agree, but we’ve made a commitment to ourselves and to each other. We’re going to see this through, regardless of what else is going on at the university.” Faculty #3 added,

> Participating in our faculty council system is an example of sharing ownership of the university. Our councils require open communication and respect and by making sure every member of our community is well informed about decisions helps us all prosper. The work on these councils can be difficult and time consuming and at times contentious, so an appointment to them really requires a personal and professional commitment. I’m glad to see some of the new faculty members participating, I think that’s the best way that we can build ownership - serving on councils, making decisions, and committing to the consequences.

Participants at both Stanwood and Hayes University were very open and vocal about their feelings in favor of a shared governance model for philanthropy on their campuses. Commonly, the staff and faculty of both institutions understood the benefits of shared governance, but participants at both universities were disappointed at what they perceived was a failure on the part of their leadership to provide an environment conducive to the model of shared governance. Participants from both universities cited a need for transparency and open communication as vital elements of shared governance and all of the participants interviewed stated that neither transparency nor open communication were characteristics consistent to their campuses.

Theme Two: Common Mission, Uncommon Philanthropic Vision

Each of the interviewees was asked, “What is the mission of the university?” Interestingly, participants from both universities answered with a clear understanding of the mission. While many of the responses varied in their actual word choices, several words aligned across interviews. Surprisingly, not one member of the faculty or staff from either university

could respond with as much certainty, the vision for the university. Most of those interviewed responded with what vision they would personally recommend, but not one knew what the vision was. Several faculty members discussed the strategic plan in the place of the vision. Faculty #6 commented, "I think we all believe in the strategic plan and understand how important it is for our future. If you want to know about the vision of the university, that's the first place to look. Maybe we have a vision statement, but the real vision for the university is in that plan."

One fundraising staff member and one faculty member - both alumni of their universities-questioned an "unspoken" vision for the university. Fundraiser #2 stated,

> To be perfectly honest, I'm questioning the vision here. I know that there's something written on the website and I've read it, but it didn't stand out to me and frankly, I see it as lip service. I have concerns about what I think an underlying vision of a few at the top of this university is and that really bothers me. It bothers me so much that I am not afraid to lose my job to speak out on it. That's saying a lot because I have a family to feed but I love this university so much and have believed in it for so long, that what's happening here is making me sick. I think there is a movement to push this university in a direction that is so against everything our founder believed in.

Faculty #1 shared,

> You asked me about shared governance, well I'll give you an example of a shared governance failure. There have been some incidents that caused me to question the real direction of this university. I stayed quiet and chalked it up to new leadership. But, in the spring convocation, a group of people from up North, hired to "re-brand" our university, presented us a pile of trash while the President just sat there on the stage and watched. It made no mention of our religious founding, it didn't address our position nationally for educating African Americans. You know what it did? It presented a white-washed view of this place. Emphasis on white-washed! Nobody that looked like me was in that presentation. My mom worked a full time job during the day and was a housekeeper in the evenings so I could attend this school. My blood, sweat and tears are here and they want to white-wash this? I am not unique! Most of the alumni have a similar story. The worst part of all of this, circling back to shared governance, is that no one even asked our opinion during this presentation. They told us this is what it was. There was no committee, there was no input, there was no collegial approach to this. How is that supposed to help with the university's fundraising? Do you think alumni are going to give money to this place after they see this? Hell no! It was such a disaster. I think that moment marked the beginning of the end for many of us alumni faculty members.

Faculty and administrators alike at both universities were familiar with the mission of the university and could either recite it verbatim or come very close to it. However, explaining the vision was difficult for many of those interviewed. Most of the participants gave credit to an intensive university-wide strategic planning process for their understanding of the future of the university with Faculty #5 noting,

> The strategic planning process was really intense but I'm grateful that we were all a part of it. I think the plan is really, very comprehensive and it seems to capture the direction we need to go in as a university and as faculty. One of the best parts of having a strategic plan is that it motivates us not to rest on our laurels. It reminds us of what we're really great at, definitely, but also shows us where we need to be and how to get there. I think I can speak for a majority of the faculty and say that we're really comfortable with how the process was executed and we're inspired by the plan.

Fundraiser #1 spoke to how necessary the strategic plan was to

the Institutional Advancement office,

> For us to have, on paper and in the minds of all those involved in the process, our strategic funding priorities for the next five years is a huge success for us. Not only does this help the campus rally around very specific goals, but it helps to show both the faculty and other members of administration that maybe what they thought was a priority before really wasn't. With the strategic plan, we're able to weed out a lot of unnecessary requests for assistance from our faculty and staff that could take up valuable time.

Faculty and administrators at both universities were so familiar with their institution's mission that they could either recite it verbatim or come very close to it. However, explaining the vision was difficult for the majority of those interviewed. Most of the participants gave credit to an intensive university-wide strategic planning process for guiding the future of the university.

Faculty members at both universities shared examples of barriers to shared governance for the university. Most attributed these barriers to external forces who questioned the modern model of higher education and whether it purpose was attuned to current needs of society. Faculty #2 stated:

From this country's founding, education was the key to strengthening democracy. Our founding fathers thought that educated people wouldn't be intimidated by tyrants. The pushback to this philosophy forced colleges to be dynamic - to respond to conditions happening outside of the campus and the public saw this as a significant contribution to society. Sadly, I don't think we serve this purpose anymore. Things have shifted so much in higher education and we're pulled in so many directions that have little to do with why we are fundamentally here. Staying true to the mission of the university is very difficult when that mission is constantly under attack by those on the outside - particularly those who hold the purse.

Faculty #3 added,

We better figure out what our value is. Everything's just a number until we figure out the goal we're trying to achieve and how that makes us unique. Employers want students who are able to integrate knowledge, communicate, collaborate, display critical thinking, understand other perspectives, and be active participants in society. Faculty don't want to see themselves as vocational teachers. We have a problem of purpose and liberal arts universities will continue to have a problem of purpose until we figure out how to merge what society wants with what our mission dictates.

Faculty #2 furthered the conversation by stating,

I predict things are going to change very quickly for us. For higher education. I already see little changes that predict big change. I think as the purpose of higher education and our purpose as a small liberal arts university continue to be questioned, our ability to define ourselves in a way that indicates a maximum return on investment will be critical. I think we will have to start drawing connections between a student's success at the university level with success in the workplace. I see a future where we link transcripts with wage data, where we track vocational success, where we track the career path of our graduates. I don't think higher education's purpose has ever been scrutinized as painfully as it is scrutinized now.

Faculty members at both universities shared examples of barriers to shared governance for the university and attributed these obstacles to external forces who questioned the modern model of higher education. Faculty members from both institutions worried extensively for not only the future of their institutions, but for the future of higher education nationwide.

Many of the faculty discussed the impact of decreased funding on the change in faculty structure from a system of tenured faculty to one that depends on adjunct faculty. Faculty

members identified this change as a threat to academic freedom and a barrier to shared governance citing a faculty that was not as invested in the university as those who held tenure.

According to Faculty #3,

> Higher education has changed — rapidly, dramatically and problematically. Gone are the days when a majority of professors were full-time and tenured, or at least tenure-eligible. Tenured professors gave students a remarkable amount of stability, continuity and mentorship opportunities. The opportunity for students to be taught by tenured faculty are slowly fading and it's having a serious effect on the university. How can a university expect faculty to participate in an environment of shared governance when you don't know if you're going to be employed the next semester? How can you interact with other faculty when as an adjunct, you don't even have an office?

Faculty #1 added,

> This university has cut tenured positions in favor of replacing them with adjunct positions and it's been done very quietly. Not only have they cut tenured positions, but they've raised administration's salaries. How is it possible to give raises to a few when the rest of the university hasn't received a raise in six years? Not even cost of living raises. Ultimately, the loser here is the student. They're being treated like customers of failing businesses whose CEO's sit in towers and whose professors now have limited office hours, work multiple jobs to make ends meet and subdivide their attention between students and the various campuses they teach on.

It was determined through interviews with participants from both Stanwood and Hayes University that faculty and staff alike were aligned with the missions of their universities and all those interviewed presented an glowing endorsement of that mission. Participants cited the mission as the reason for their being at the university and every single participant was able to cite the mission almost verbatim. Participants at both institutions, however, had much more difficulty reciting the vision and among those who did understand the vision, uncertainty existed.

While not all of those interviewed felt represented in the strategic plan, faculty and staff alike cited the strategic plan as the guiding force directing the future of the university. Faculty at both universities referenced national trends of the changing purpose of the university and a shift to the reliance of adjunct professors as barriers to the future of their own universities, while staff

members either declared that they were not involved in the visionary planning of the university or that they had a limited role in the university's strategic plan. Faculty and staff at both universities longed for a deeper understanding of their own personal roles in the future of their universities.

Theme Three: Lack of Transparent Gift Acceptance Policies

Another theme from the data identified that the process for accepting the donation from the venture philanthropist and other donations was not transparent. As Fundraiser #3 stated, "I've never seen anything like it."

The process for closing the donation and the subsequent formal or informal donation agreement were unclear to many of those interviewed. Not one of professors at either institution had an idea of the process for accepting the gift and most did not even attempt to answer the question. What was determined through interviews was that the process for accepting the gift was not only complex, but in some case, not actually a formal policy. According to Fundraiser #8,

> I'm not sure if us not having a gift acceptance policy is strategic or lazy. I can kind of understand from a strategic perspective being ambiguous, but I can't think of any situation where a gift acceptance policy - even a simple one, would make a donor not want to give to us. I would think that a donor would want a clearly defined plan for their money. The legal liability we're open to is sort of overwhelming at times. I created my own statement of donation that I give donors and ask them to sign just to protect myself, but the leadership in my department is just not interested in adding this to the university's policies.

According to Faculty #6, "I have no idea where a donation begins or ends. I just know someone wants to give us money and someone collects the check. I'm obviously simplifying this, but that really is the extent of my understanding."

The venture philanthropist who donated the largest sum in the history of Hayes will be

described here as Mr. Stone. The fundraiser who solicited the donation from Mr. Stone will be described as Mr. Morris. Mr. Morris was asked to describe Mr. Stone and his relationship with the university, to which he responded,

> I first met Mr. Stone after a natural disaster occurred in our area. He was one of the first to donate to the university after the event and once we were operational, I paid him a visit at his home in the Northeastern area of the United States. He explained that his reason for donating was that he was a devout and religious man and wanted to do what he could to make sure the university maintained its religious position in the South. He had absolutely no ties to the university but donated a significant sum of money anyway. It was an awkward meeting for me because even though I was grateful for the donation, I couldn't help but shake the thought that there was something more to this, he wasn't very friendly and didn't seem very interested in my being there. I couldn't understand why this man would donate so much money - a quarter of a million dollars - to a university he had never even stepped foot on. I didn't want to be forward and ask him what his motivation was for the gift - I mean, how do you even bring that up to someone you've only met once? We left the meeting with him telling me that he was going to visit campus soon to see how far his dollar had gone.

Mr. Morris elaborated with a story regarding Mr. Stone's first visit to campus six months after the initial visit,

> I invited him to visit campus and he met with the President for about an hour. Next thing I know, this man is getting an invitation to serve on the university's board of trustees! I kid you not! I was so surprised when the President called me to his office to let me know that he extended the invitation to Mr. Stone, you could've knocked me over with a feather. To me, the board of this university was always filled with people who had a connection to the university in some way - either they were part of the religious community or they were alumni or they were prominent and respected members of the community here, that's what made the university so powerful - everyone knew the board and knew they had the best interest of the university at heart. I was really worried about him being on the board and influencing the other members, especially with as much money as he had - he is probably worth all of them put together. I think I was just still uneasy because I couldn't quite put my finger on what was his motivation. I'm an alumnus of this university and have the honor to work here and I couldn't help but think that Mr. Stone's donation helped to secure this spot for him. I was disappointed when I learned he would be on the board.

When asked if he thought Mr. Stone's donation came with strings attached, Mr. Morris responded,

My gut feeling is yes. Although, he never said anything like that at all in our conversations with each other. But, he's a businessman and I think he knew that if he could draw attention with a big donation, he'd be able to sort of influence the university in a lot of ways. I just got that feeling from him. Maybe it started out with him just feeding his ego, I don't know. Now, did he know think that he would get elected to be the President of the Board? Probably not. But did he think he saw a vulnerable bunch of people that he figured he could probably influence in some way or another? Absolutely. I don't know what his plan was but whatever it was, it worked, 'cause this campus is changing, has changed, and it's never going to be the same as it was before he came here. And you know why it will never be the same? Because he put a bunch of his friends on the board, the ones that think just like him.

The venture philanthropist who donated the largest sum during Stanwood University's last capital campaign will be described here as Mr. Merced. The fundraiser who solicited the donation from Mr. Merced will be described as Mr. Franc. Mr. Franc was asked to describe Mr. Merced and his relationship with the university, to which he responded,

> Mr. Merced actually went to school here many years ago. A lot of people don't know that because he never graduated. He's sort of the pre-Bill Gates. He went to school for a few years, decided it wasn't for him, became an entrepreneur and is now the wealthiest man in the state. We've been courting a donation of this size from him for probably six years and at times I didn't think we would get it, but thankfully we did. The university is going to be a much better place because of his generosity.

When asked about the donor's motivation for giving, Mr. Franc responded,

> He is good friends with the President and I know that relationship really sealed the deal for us. I'm not sure if we had another president if we would've gotten the donation, they have a really great friendship. In my conversations with him, he's referred a lot to religion and it has been joked about around town that he's trying to buy his way into heaven now that he's an older man. I don't think that's the case at all. I think this donation helped put two things together that he's passionate about which are education and religion. From the beginning of our talks almost seven years ago, he's always had an interest in first generation students and I think that was his motivation for this donation, to help those students.

When asked about how the campus community responded to the donation, Mr. Franc stated,

> Oh, everyone was so happy and I think it made our alumni and our faculty and staff really thankful for our President. I think for us externally, the donation lended itself to even

> more credibility for us. As if to say, Mr. Merced believes in this university so much that he gave a multi-million dollar donation, so it must be doing something right and you should donate, too. On campus, though, the faculty and staff are still talking about it, it's a source of pride. We put up a big plaque with his name on it on one of our buildings right in the middle of campus, and everyone seemed really pleased and just overall thankful. It was a big day when he came to campus for the unveiling. We had a great crowd and he stayed afterwards shaking the faculty, staff, and student's hands and taking pictures. I haven't heard one negative thing about us receiving the donation.

When asked if he thought Mr. Merced's donation had any strings attached, Mr. Franc replied, "Not right now. It's almost as if he gave us the money and then wanted us to go away. He's a busy man. But, I'll never say never. Maybe down the road he may want something, I could see that happening, just knowing him the way that I do."

At both universities, the faculty were not engaged at all in the most recent gift of venture philanthropy. Faculty #2 stated, "All I know is that we got the money. I have no idea how we got it other than the President is friends with the donor." Faculty #4 stated,

> I wasn't surprised when I learned where most of the money from the donation was restricted to. The President's been pushing for that program for a while and he finally found someone to finance it. Sure, I can identify more pressing institutional priorities, but I guess that's where he saw fit to use the funds. I would've liked to have been able to lobby for other uses for the funds as would other faculty, I imagine, but I'm not sure that process exists. I do think he would've been open to listening.

While the the faculty were not engaged in the most recent gifts of venture philanthropy on their campuses, a few of the faculty have had access to the donor. According to Mr. Morris,

> Mr. Stone has selected a few of the courses that are taught in the Business Department and I know that he has reached out to a few other departments to see when they could teach something he has in mind. I'm never on the front end of this, by the time I hear about it, usually he has called me to tell me to "move some money," or I've gotten a call or visit from a professor who is asking how to proceed.

As revealed in two in-depth interviews with the fundraisers who were involved in the acceptance of the two donations of venture philanthropy, these types of donations can have a significant impact on the culture and norms of the university and can, in fact, have a tremendous

affect on the curriculum and the faculty who teach.

Many of the fundraising staff interviewed revealed that they did not question the intention of donors when accepting donations. Most of those staff members interviewed thought that most donors gave to the university out of a sense of appreciation for the education they received or in support of the university's work. Fundraiser #6 stated, "there haven't been any instances where I thought a donor's intentions weren't pure. I wouldn't think that we would be on the radar of any unscrupulous donors."

Most of the fundraisers could, however understand how communication breakdowns with donors could exist, particularly in the absence of established gift acceptance policies. As Fundraiser #6 put it, "The acceptance of donations basically starts and ends with the donor telling us what they want the money spent on." Fundraiser #1 noted,

> Although it hasn't happened to me, it has happened to fundraisers at other universities that I know. A donor gives a donation for a specific purpose and changes their mind, gets mad at the professor, or has a disagreement with the school. The problem is that at most universities, the donor has signed a contract with the university and so a legal battle ensues. The university, regardless of how tight that donation agreement is, will almost always look like the bad guy. It makes others not want to donate because they don't think their money will be taken care of properly.

Fundraiser #4 stated,

> I do worry about being faced with the problem of a donor with an agenda. These are almost desperate times for the university and fundraising is being depended on more and more for everything from capital to operating. Because of this, my fundraising goals are getting more and more difficult to manage. So, what do I do? Protect my job and take a check from someone who wants something in return or do I do the ethical thing and deny the donation even though it could be a transformational donation for the university? I, of course, would do the ethical thing. I'm not sure that many fundraisers would, though. Especially those under a lot of pressure from their universities to help make ends meet.

Fundraiser #2 elaborated,

> I was at Tulane University when the administration redirected the donation that essentially founded Newcomb College. That was a disastrous situation both internally

> and publicly. It wasn't handled well and not only did Tulane lose their relationship with the family of the donor, but they lost their relationship with a really significant donor base - female alumni. This was a case study in how to not get a lot of really wealthy and connected people mad at you. I'm not sure that Tulane will ever recover - truly recover - from what happened. The lesson is once a donor restricts their dollar and once you accept. That's it. No takebacks.

Many of the fundraising staff interviewed revealed that they did not question the intention of donors when accepting donations. Most of those staff members interviewed thought that most donors gave to the university out of a sense of appreciation for the education they received or in support of the university's work. Most of the fundraisers interviewed, however, did express concern for the future of fundraising and the ability of their universities to not accept philanthropic gifts from donors whose intentions were not clear.

All of the fundraisers interviewed explained the pressures of accepting restricted donations. They all agreed that they preferred to solicit unrestricted donations, but that donors are more savvy than ever and are very aware of what it is that they are passionate about and want to donate to. Fundraiser #7 stated, "It seems like everyone restricts everything. For a lot of donors, it's their way of holding the university accountable. It's a lot easier to request a report for a restricted fund than for an unrestricted one." Fundraiser #3 noted,

> For a donation of over a million dollars, there's going to be a restriction - probably several of them - and you better believe there'll be strings. They may not be strings with bad intentions, but they will be strings to let you know that the donor is in control. Most donors want the university to know that they will yank it back as fast as they gave it if they sense that the university isn't using their money the way they wanted it used.

Fundraiser #4 added,

> I think universities should think more about just telling the donors no. There's no shame in saying we just can't fulfill your requirements, we can't restrict your donation in this way. It's crazy that a donor says to the university, I'll give you $5 million to build a Chemistry building, and the university accepts knowing good and well that there are lots of hoops to jump through to build that building. It happened here. We accepted a low-ball donation for the naming of a building, but we had to build the building. We of

> course used the cheapest contractor. That building is two years old and is leaking and the walls are cracking and we don't have the money to fix it. What have we done? We're just so financially strapped, that it's hard to do that and I understand, but the implications of accepting a donation that you know you can't work with is huge.

The fundraisers also suggested that restricted donations have implications that many don't consider. Fundraiser #1 said,

> Restricted donations limit us. They cripple us in some ways. We don't have a large staff, and so when we accept a restricted donation, we have to figure in how much staff time will be spent trying to steward that donation. Restricted donors require reporting and they require ongoing cultivation for years and years after the gift is made. It puts a big strain on our staff. We're asking them to find new money when they're bogged down by the old.

Every one of the fundraisers interviewed expressed concern over the pressures of accepting restricted donations as it not only hampered the university's ability to spend money, but that it could often connect a fundraiser to a donor for many years beyond the initial donation. All of the fundraisers agreed that their preference was to solicit unrestricted donations, but stated that experienced and educated donors are overwhelmingly choosing not to give these types of gifts to universities.

Most of the faculty members interviewed were concerned that donors with enough money could manipulate the curriculum of the university. While most of them had not encountered this situation in their own work, they were aware of it happening on other campuses. The faculty were concerned that large donations could impact academic freedom and could potentially impact their jobs. According to Faculty #2,

> I read stories - I think now more now than ever - about universities giving back money because a large donor has decided they want more of an influence on what's being taught and who is teaching it. Not only is this scary as hell, but it's wrong for our students. This cannot be our future. Universities are selling out our students to the highest bidder and it's almost as if nobody is paying attention.

Faculty #5 questioned,

> Who is held accountable for situations like the one that happened in Florida with the Koch brothers? The president of the university? The vice president in charge of fundraising? Did they know that the Kochs would come back to them years later and say we want you to teach this conservative business class or we want you to add conservative law to your curriculum? How do we prevent this from happening here? Is it already happening here and we just don't know it?

Faculty #6 who had been approached by Mr. Stone to add a class explained,

> I just got a call out of the blue from Mr. Stone. He said that he had spoken to the President and they thought this class would really be a great addition. I didn't really know what to think - the President of the Board of the university is calling me and telling me he talked to the president and they wanted me to teach this class. I thought it was inappropriate that the president or the provost or even my Dean didn't call me or email me first to discuss this with me, but I'm new and I don't know how things go down here. I didn't want to rock the boat.

Participants at both Stanwood and Hayes University identified significant concerns related to the intentions of donors and the impact on their universities. Staff members at Hayes University highlighted the lack of a policy for donation acceptance as one of the most stressful elements of their jobs. Additionally, staff members at Hayes expressed worry about conflicts of interest related to a member of the Board of Trustees and his impact thus far on their university. Staff members at Stanwood expressed concern about their future ability to advise their leaders against accepting donations that may harm their universities because of the university's need to raise significant amounts of money.

Theme Four: The President as Chief Fundraiser.

The fourth theme from the data was administrator and faculty reflections on the role of the president as the chief fundraiser of the university. There was a belief among the majority of interviewees that it was the president's responsibility to make fundraising a priority for the university. The interviewees were aware of and nervous about decreases in their budgets and

saw this as a direct reflection of the university's need to raise more funds. The majority of those interviewed thought the cultivation of significant philanthropic dollars should be the responsibility of the president, but that the process should be a transparent one.

At Stanwood University, there was a strong affinity between the president and the venture philanthropist. As many faculty and administrators mentioned in their interviews, if it wasn't for the President's leadership and relationship with Mr. Merced, their campaign would not have met it's goal. The faculty and administrators depended on the President to maintain relationships with high net worth donors with Fundraiser #5 noting, "Big donors want big access. They don't want to see me walking through that door. If they're giving big money, they want to see the President." When asked about the terms of the donation and whether a gift agreement was signed, none of the faculty members at Stanwood knew the answer. Faculty interviewees imagined that the discussions were informal with Faculty #2 noting, "they probably talked about it over beer on the golf course." Fundraising administrators confirmed that a gift agreement was signed and also confirmed that a majority portion of the funds received from the donor were for one of the "President's projects."

At Hayes University, the relationship between the philanthropist and the President appeared to be, as Fundraiser #3 put it, "the President reports to Mr. Stone." The faculty members interviewed knew of the Trustee, but not one of the faculty made any mention of his donations in their responses. Mr. Morris confirmed that not only was there no gift agreement signed between this donor and the university but there has not since been any agreements signed by this donor, even though he has now donated several million dollars to the university. Mr. Morris stated,

> He never restricts his donations in writing. He will call me randomly and ask me how much money he has left in his account and then he'll ask me to restrict a certain amount of his donation to whatever project the board needs money for. He has also funded some

> classes in the business department that he wanted taught. Once he asked me to create a scholarship for a family member of one of the other board members - I drew the line here because not only is this not ethical, but it could be illegal based on anti-discrimination and IRS policies. Even though I wasn't backed up by the President, I denied the request anyway and explained to Mr. Stone why. He didn't give me much push-back. I'm assuming because it wasn't his own family member. I'm sure he would never send any of his family members here, so I don't see this being a problem in the future.

Of interest, Faculty #1 remarked that one of the major reasons the president was selected to lead the university was because of his reputation for being a prolific fundraiser at other universities,

> Outside of his academic background, the thing that impressed the faculty on the presidential search committee the most was that he had secured millions of dollars for other universities. We desperately need funding and recognized that a great fundraiser was a skill we needed in a president . We hoped that he would be the one that could lead us all in the right direction. So far, I've heard nothing from him regarding fundraising. I don't know what's going on.

Fundraiser #2 noted,

> Whenever the opportunity presents itself, the president should declare his vision for the university so that it inspires our donors. We need the president to consistently explain the challenges and opportunities that will set the course for the future of our university, this inspires our donors to take action. We need the president to rally the community around the vision because this creates buy-in. This sense of community from both internal and external stakeholders leads to financial support.

There was a belief among the majority of interviewees that it was the president's responsibility to make fundraising a priority for the university. Both faculty and staff were aware of and nervous about decreases in their budgets and saw the urgency in the university's priority to raise more funds. The majority of those interviewed thought the strategy behind the cultivation and solicitation of significant philanthropic dollars should be led by the president, and that the process should be a transparent one.

Faculty and staff interviewed at both universities commented that they assumed the university president was under constant pressure from the board of trustees to perform at a high

level and that perhaps the university suffered in some areas as a result. Faculty #2 noted, "The president is hardly ever here, I never see him. I hear that the board has him moving in a lot of different directions." Fundraiser #5 responded,

> I would like to see the President more and the Board members less. We have a board member set up in our office at least once a week. We had to kick one of our staff members out of her office so that we could make a permanent office for him. Great for office morale, right? Nobody really knows what he's doing because he doesn't really engage with us, we just stay out of his way and make sure the coffee pot is always full.

Faculty #3 voiced,

> There used to be faculty members on the board, but as the financial obligations for board members increased, there were less and less faculty representation because they couldn't afford it. The board created an advisory group after we questioned it, but the advisory group is a sham. The provost appoints you to it, you "serve" for a couple of years, and then you're done. There are no regularly scheduled meetings and you never meet with the board of trustees. It was just a way to keep us quiet. Don't call us, we'll call you.

Faculty #3 stated,

> If I was the President, I would definitely watch my back around the Board of Trustees. They hired him and I bet to them, they think that they can just as easily fire him if they don't get the results they want from him. I don't have a lot of faith in this board. They are just a different group of people than I've ever seen lead this university. Our old president would have never stood for this. Everyone, even the board, knew who was in charge when he was around. Now, it's as if a board full of strangers has taken over.

Participants at both Stanwood and Hayes University were open about their concerns regarding the leadership of their universities. All of the faculty and staff members at Hayes University were disappointed in the performance of their new President, but expressed hope for his future. Many of those interviewed were concerned by the President's relationship with what they deem a Board of Trustees motivated by ego and power. Faculty members at Stanwood University spoke of a "ghost president" who was seldom visible to the campus community and who seemed more concerned with cementing his own power and prestige in the community than dealing with the issues on his campus.

Conclusion

As discovered through this study's interviews, both faculty and administrators desire a collegial and collaborative campus culture and believe that not only can shared governance serve a major role in the acceptance of philanthropic donations to the university, but that shared governance is necessary to a sound philanthropic plan. There exists among faculty, a strong motivation for an environment of transparency as it relates to donations made to the university and faculty feel left out of the fundraising process and feel as though they are only paraded in front of donors when it is convenient for administrators. In many cases, faculty did not know that venture philanthropy donations were being made to the university.

All of the faculty members interviewed for this study had a sense that the university could do more to strengthen the relationship between the university's fundraising operations and the faculty. Some faculty questioned the university's intentions for keeping faculty apart from philanthropic decision making and wondered if this omission was strategic as faculty would likely have tough questions for administrators. Faculty members believe this type of collaboration would only serve to enhance the university as it would create a transparent process where both faculty and administrators feel involved. Faculty members advocated for a collegial committee or subgroup who would serve as university representatives involved in the acceptance of philanthropic donations.

As revealed in two in-depth interviews with the fundraisers who were involved in the acceptance of the two donations of venture philanthropy, these types of donations can have a significant impact on the culture and norms of the university and can, in fact, affect the curriculum as evidenced by the examples at Hayes University. As Fundraiser #3 noted, "I feel

like we’ve sold our soul.”

CHAPTER V

DISCUSSION AND RECOMMENDATIONS

The rationale for conducting this study emerges from recent and dramatic declines in state funding for higher education. As a result of decreased revenue, universities are stepping outside of their traditional fundraising boxes to support themselves. Universities are becoming more market driven, seeking additional external resources and doing business differently in order to meet the pressures of competition and to meet the goals of the university (Drezner, 2011; Lee & Chang 2017). While this new model for university revenue can produce significant results for some universities, for others, the risks of accepting donations from venture philanthropist with hidden agendas to change the campus culture, outweigh the rewards.

An analysis of the differences between the traditional donor and the new philanthropist suggests that venture philanthropy presents both opportunities and challenges for higher education, (Marcy, 2001). Assuming alumni will eventually become donors has become an outdated policy that no longer applies to modern university graduates. Also outdated is the assumption that board and committee memberships are templates for engaging current and future donors (Gose, 2003; Marcy, 2001). Venture philanthropists do not respond to traditional roles and long-standing, proven strategies and they prefer to be actively involved and share their ideas for the future. They are not inclined to perpetuate the status quo and will test the university to see how well they respond to their thoughts and ideas, and then determine whether or not to move forward with developing a relationship (Marcy, 2001).

These philanthropists often treat their donations just as they would their business transactions; they want the opportunity to be involved in the decision making and opportunity to

advance their agenda. They do not donate with the intention of not being involved and consulted. Venture philanthropy often lacks transparency and the implications of this new philanthropy for the university are not yet understood (Miller & Bellamy, 2012). Further, not only is the long term impact to universities not understood, but it is grossly under researched and examined. Shared governance, academic freedom, autonomy and academic mission could all be under fire if the impact of venture philanthropy is not studied and managed (Merchant, 2014). Venture philanthropists can be critical of how universities do business (Bornstein, 2001). This approach can result in incompatibility between university administrators, faculty and philanthropists in how they each define and understand the relationship. The balance of power and management are threatened (Wolfe, 2011).

Building upon the research of Merchant (2014), this study sought to determine whether the traditional collegial model of shared governance could accommodate the emergence of venture philanthropy in a way that protects and enhances the mission and vision of university. To achieve this goal, the following research questions were identified:

1. Can the traditional university model of shared governance accommodate the process by which venture philanthropy is accepted?
    a. Can the acceptance of venture philanthropy impact the culture and norms of a university including affecting the curriculum?
    b. Can a shared governance model for the acceptance of venture philanthropy safeguard the university against threats against academic freedom?
2. Has shared governance been employed in the acceptance of venture philanthropy at two collegial liberal arts universities in the Southeastern United States?

a. Who was involved in the acceptance of the venture philanthropy ?

b. What are the gift acceptance policies at these institutions?

Using case study methodology in the cases of Hayes University and Stanwood University, data were gathered through individual interviews with faculty leadership and fundraising professionals within each institution. The findings indicate that the model of shared governance can work to enhance the philanthropic operations of the university in a way that protects the university from potentially dangerous donors but that faculty and administrators need to work collaboratively and strategically to ensure its success.

Summary of Findings

The findings from this study may be generalizable to small university campuses. According to Birnbaum (1998), one of the most important conditions for a true collegial form is that it be small. Additionally, the findings presented provide the foundation for discussion for universities who find themselves increasingly relying on private donors as a revenue stream. Birnbaum's (1998) work on the collegial institution realized that shared governance is most valued when the academy is united for a common purpose and when value is placed on faculty, administrators, and trustees participating in colleges' issues (Birnbaum, 1988). In 1966, a template for shared governance was issued by the American Association of University Professors, the American Council on Education, and the Association of Governing Boards of Universities and Colleges (American Association of University Professors, 2012). Absent from the statement was guidance regarding shared governance in the building and maintaining of relationships with external stakeholders and Birnbaum (2003) noted that the template identified the faculty's responsibility as being primarily educational. However, Birnbaum (2003) also noted that the statement did outline the importance of faculty participation in the establishment of policy and

planning, a fact that holds true on today's campuses. What follows is a review of the findings and the literature that supports them.

Discussion

The case study methodology used to conduct this study included numerous interviews with staff and faculty members. The two case study institutions were chosen based on their experiences with venture philanthropists. Four themes emerged from the data analysis that brought about a deeper understanding of the relationship between the collegial model of shared governance and venture philanthropy. These themes were grouped into categories based on Birnbaum's model of the collegial institution: 1) the need for a shared governance model for philanthropy; 2) unclear gift acceptance process and policies; 3) unclear university vision; 4) the need for presidential leadership. The findings are presented here with validations from key assertions in the literature.

Theme One: The Need for a Shared Governance Model for Philanthropy

A collegial institution is a community in which status differences are deemphasized and people interact as equals, making it possible to consider the university as a community of colleagues (Birnbaum, 1988). As referenced in Chapter II, study of university faculty by Bowen and Schuster (1986) suggested that collegiality has three main components: the right to participate in institutional affairs, membership in a "congenial and sympathetic company of scholars in which friendships, good conversation, and mutual aid can flourish," and the equal worth of knowledge in various fields that precludes preferential treatment of faculty in different disciplines," (p.55). Sanders (1973) identified collegiality as "marked by a sense of mutual respect for the opinions of others, by agreement about the canons of good scholarship, and by a willingness to be judged by one's peers," (p.65).

Collegium members interact and influence each other through a network of continuous personal exchanges based on social attraction, value consensus and reciprocity (Birnbaum, 1988). Birnbaum asserts that collegiums are sustained and reinforced by nonlinear loops that control the behavior to their members. These loops permit the faculty and administration to form coherent and effective working groups. As people in a group interact share activities, and develop common values, the group develops norms. Informal norms control behavior even more powerfully than written rules and regulations. The strength of norms are directly related to the frequency with which group members interact and the extent to which they participate in activities (March and Simon, 1958).

This study verified the literature regarding shared governance. Members of the faculty at Hayes University and Stanwood University recognized the importance of and need for shared governance as it relates to philanthropy. In describing the ideal university environment, both faculty and administrators acknowledged the importance of a collegial model for managing university philanthropy. It was made clear through interviews that faculty and administrators believe in the benefits of shared governance, however, the reality of engaging in shared governance was much more difficult to achieve. At both institutions, faculty members believed that their role in philanthropy was either nonexistent or limited. This created a source of tension for faculty as it promoted an environment void of transparency and fairness.

Theme Two: Common Mission, Uncommon Philanthropic Vision

While the majority of those interviewed for this study quickly identified the mission of their universities, very few understood or could articulate the overarching vision. However, most of the participants did understand that the strategic plan for their university held the key to the planning for the future.

As confirmed through this study, the literature provides that strategic planning represents one of the major steps a university can take to address challenges in the modern education system. Decreased funding, a greater demand for higher education, and changing demographics have altered university environments in such a way that an unconventional style of planning is often required to facilitate change. Although barriers exist, the strategic planning process can serve as the catalyst for radical change.

Traditionally, universities have relied on conventional methods of planning. For many institutions, planning has consisted of long-term strategy most intimately related to budgeting and accreditation. Because of this relationship, much of university planning evolved into the mechanism by which institutions answered question related to resource allocation and academic programming (Rowley, Lujan, & Dolence, 1997). Although institutions have been historically comfortable utilizing conventional planning methods to address normal operations, universities have also relied on strategic planning methods when unique threats arise. By employing strategic planning, an institution indicates that a new and drastic approach is needed to achieve major solutions to the university's most significant challenges (Rowley, Lujan, & Dolence, 1997). Strategic planning helps an organization determine where it's going, how it will get there and how it will know if it made it or not.

One of the greatest strengths of strategic planning is its ability to help align an organization with its environment. In an era of tight budgets, dwindling resources and greater competition, many universities find themselves surrounded by unfamiliar environments that require new, nontraditional responses to challenges. As planners begin to develop their strategic plan, a thorough analysis of campus resources and the university's guiding philosophy as well as an examination of risks must first occur (Rowley, & Sherman, 2001).

As strategic planning seeks to align an organization with its environment, it may also need to redefine the university's identity to better meet its planning objectives. In order for this shift to occur, an institution must be forward-thinking and proactive in order to effectively shape the internal effects that external forces are having on the institution. By being proactive, institutions are recognizing their external expectations and responding to them utilizing their internal strengths. For strategic planning to be successful, the strengths of the internal environment must not be ignored and members of the institution must feel included. Strategic planning must involve the participation of all, not just top-level strategic decision makers; otherwise there will be no trust in the process (Rowley, Lujan, & Dolence, 1997). Without the necessary element of trust, strategic planning may still occur but the chances of successful implementation are greatly diminished. When trust exists, leadership becomes more effective, motivation exists for cooperation, and communication improves within the team (Opatz, & Hutchinson, 1998).

There was an overwhelming definition articulated by the faculty and administrators in this study that shared governance was a group of individuals who were working together to further the mission of the university. One fundraising administrator referred to shared governance as a three tiered approach where administrators, the board of trustees and faculty leaders work together. Shared governance was also described using the following words: compromise, goals, solutions, strategic, equal.

All of the participants interviewed believe that shared governance existed in some form at their university and that it was effective in some areas. While faculty and administrators alike noted challenges to this form of governance as it relates to fundraising the majority of those interviewed understood the importance of shared governance and yearned for its implementation

on their campus.

Theme Three: Lack of Transparent Gift Acceptance Policies

When offered a donation, the immediate reaction of most is to accept. However, that may not always be the best decision; should the organization accept the donation, the institution runs the risk of damaging its reputation or accepting a gift that costs too much time and money to administer. As confirmed through interviews with the Hayes and Stanwood, the literature verifies that a gift acceptance policy is a necessary and important element of a university fundraising program. While Hayes University did not utilize a standardized Gift Acceptance Policy, Stanwood was selective with the donors they engaged in the gift acceptance policy process.

A gift acceptance policy (GAP) defines what gifts are acceptable and what the institution's obligations for accepting the gift are. A GAP makes it easier for an institution to accept a gift with a clear conscience and just as easily reject a gift that is not in keeping with the mission of the university. GAPs reduce risk and establishes boundaries for both a fundraising program and the university (CASE, 2016).

Developing a GAP is an opportunity for an organization to develop a fundraising culture that adopts a sensible approach to gift acceptance and the process should be closely related to ethics. Developing a GAP can strengthen a university's internal gift administration procedure, but both policy and procedures should receive regular reviews to ensure that they are compatible (CASE, 2016).

A GAP should specify who is responsible for the policy's implementation and administration and this should be handled by a committee of senior officials - both fundraisers and non-fundraisers - as well as independent representatives of the university to include faculty.

It is also advisable for the committee to include representatives from the financial and legal sector. As per Section 10.6 of the Council for Advancement and Support of Education (CASE, 2016) GAPs should also contain the following seven criteria:

- A reminder of the institution's purpose - its mission statement,
- A statement of the purpose of the policy,
- The organization of the gift acceptance policy committee,
- A procedure for how donations over a specific amount of money should be handled,
- A definition of the institution’s response to proposed gift restrictions,
- A definition of what constitutes a conflict of interest,
- An outline of how and when the policy will be reviewed and amended

As reflected in interviews with the staff and faculty of both Hayes and Stanwood Universities, transparency was identified as a necessary but missing element of shared governance on their campuses. All acknowledged the importance of an environment of trust and most stated their willingness to work toward a goal of cooperation and openness. The absence of a gift acceptance plan at one university and the inconsistent use of the gift acceptance policy at the other not only created an environment free of transparency, but served to build resentment, mistrust and anger at the universities.

Theme Four: The President as Chief Fundraiser.

For both Stanwood University and Hayes University, a lack of philanthropic vision from their Presidents created uncertainty and strain. For many university presidents, fundraising is a part of the job that is not well defined nor well understood. They understand that there is an expectation that private funds flow into the university but their specific role is often cloudy. This

uncertainty may be due to fundraising recently becoming an expectation of leadership, lack of experience on the part of the president in soliciting private gifts, or the belief that institutional leaders that such activities are beneath them. In frustration, many often abdicate their leadership of fundraising to a development staff (Hodson, 2010). While a president does not need to be experienced in fundraising, Cheshire (1980, p. 14) believes it is important for the president to be at the center of the fundraising effort: "suggesting, critiquing, judging, challenging, and performing. As he is part of it, he will be a force in it, and that is essential to the moving spirit of what must be a total institutional commitment."

The university president shoulders the ultimate responsibility for the success of the fundraising program as so much of what precedes an effective relationship and solicitation of major gifts must come from the president. No other university officer can create the vision, outline the priorities, or make the case for support as effectively as the president. In the past, presidents saw their role in fundraising as limited to hiring a staff of professionals to raise private gifts, but presidents today view their personal involvement as being critical to supplementing the work of the fundraising staff (Miller, 1991).

As referenced in Chapter II, Birnbaum (1988) defines seven guidelines for leadership within the collegial model: (1) exemplifying the values of the group, (2) conforming to group expectations of being decisive within the norms and traditions, (3) consistently engaging in both formal and informal communication, (4) giving directives that are fair and appropriate, (5) listening and acknowledging value and norms, (6) reducing status differences, and (7) creating a climate of self-control where the collegium will correct itself. Successful presidents recognize the importance of these rules and as confirmed through interviews with the faculty and staff of Stanwood and Hayes, these guidelines are vital to the success of the collegium leadership.

According to Birnbaum (1988), leaders are selected not only by the collegium but also from the collegium and are expected to influence without coercion, to direct without sanctions, and to control without inducing alienation. Birnbaum indicates that leaders in the collegial institution should only give orders that would be construed as reasonable thus assuring compliance and that leaders should seek a deeper understanding of the values of the other members of the collegium.

According to Ndoye and Parker (2010), leadership and vision are the primary components of institutional success. If leadership is perceived to lack dedication, cultural change will be difficult, if not impossible to achieve. Because of the tremendous amount of resources required to implement a successful assessment plan, leadership dedicated to facilitating access to those resources is paramount. The leadership of an institution should be expected to spearhead the development of policies and practices that assist in promoting open communication across the different campus communities in order to build a significant campus culture of assessment (Ndoye & Parker, 2010).

As confirmed through this study's interviews, both faculty and administrators desire a collegial and collaborative campus culture and believe that not only can shared governance serve a major role in the acceptance of philanthropic donations to the university, but that shared governance is necessary to a sound philanthropic plan. There exists among faculty, a strong motivation for an environment of transparency as it relates to donations made to the university and faculty feel left out of the fundraising process and feel as though they are only paraded in front of donors when it is convenient for administrators. In many cases, faculty did not know that venture philanthropy donations were being made to the university.

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could do more to strengthen the relationship between the university's fundraising operations and the faculty. Some faculty questioned the university's intentions for keeping faculty apart from philanthropic decision making and wondered if this omission was strategic as faculty would likely have tough questions for administrators. Faculty members believe this type of collaboration would only serve to enhance the university as it would create a transparent process where both faculty and administrators feel involved. Faculty members advocated for a collegial committee or subgroup who would serve as university representatives involved in the acceptance of philanthropic donations.

Recommendations

The findings from this case study have illustrated several ways to consider shared governance as a tool for universities in the acceptance of philanthropy. As a result, several recommendations for university leaders and fundraisers emerge as universities consider the future of fundraising. The recommendations will help similar type universities create, build, or enhance their ability to promote a culture of shared governance as they increasingly rely on the gifts of others to strengthen their budgets. Recommendations include incorporating a clear vision for philanthropy, developing a gift acceptance policy and engaging faculty in a clear and consistent manner.

Incorporating a clear vision for philanthropy. One recommendation is for universities to promote the university's vision widely. Many of those interviewed for this study held an unclear idea of the vision for philanthropy at the university. Remedying this can be accomplished by promoting the role of philanthropy in the university's strategic plan. If strategic planning in higher education is designed carefully, it creates a space for collaborative implementation and it can act to strengthen the culture and enable the university to become the

institution it wants to be. As revealed through this study, strategic planning can promote transparency, an element often missing from the university philanthropic process.

Developing the gift acceptance policy. As revealed through this study, a gift acceptance policy (GAP) can define for universities what gifts are acceptable and what the institution's obligations for accepting the gift are. A GAP makes it easier for an institution to accept a gift with a clear conscience and just as easily reject a gift that is not in keeping with the mission of the university. GAPs reduce risk and establishes boundaries for both a fundraising program and the university (CASE, 2016). GAPs also serve as the primary ethical guidance for many fundraising departments.

Anderson (1996) argues that behaving ethically has become increasingly difficult in modern times. Ethical dilemmas create situations in which fundraisers discover that 'doing the right thing' is often difficult, if not entirely impossible (Elliot, 1995). Ethical compromises can establish precedents that can easily endanger institutional integrity (Payton, 1989).
Ethics and morality are often used interchangeably (Anderson, 1996), and are generally regarded as being indistinguishable (Schrum, 1993). The study of ethics examines "the proper standards and principles of human conduct" (Machan, 1997, p.5). Academic fundraisers are the primary institutional representatives charged with securing private support on behalf of the university. Fulfilling their obligations requires that they unequivocally adhere to the highest standards of ethical conduct, however, research has shown that fundraising practitioners are often confronted with compelling ethical dilemmas (Anderson, 1996). Roughly, dilemmas are "situations where several moral reasons come into conflict and point toward incompatible actions," where "the moral reasons may be cast in terms of obligations, responsibilities, rights, goods, or virtues" (Martin, 1994, p. 88). Specifically, Harding (1985), defines a dilemma as a "valid argument

which concludes with a choice between two equal alternatives" (p. 45).

Refocused presidential leadership. Another recommendation is for there to be a greater focus on training presidents on fundraising best practices. As shown through this study, faculty and administrators alike look to the leadership of the university for guidance regarding philanthropy and the success of a fundraising program can rise and fall with the president. According to Birnbaum (1998), the leader is at the center of communication in a collegium. The leader may initiate the interaction but listen and overcome any tendency to talk. The leader should acknowledge the importance of the group values and accept the without judgment. Birnbaum states, " Influence requires interaction; to influence, one must allow oneself to be influenced," (p. 103).

For many university presidents, fundraising is a part of the job that is not well defined nor well understood. They understand that there is an expectation that private funds flow into the university but their specific role is often cloudy. This uncertainty may be due to fundraising recently becoming an expectation of leadership, lack of experience on the part of the president in soliciting private gifts, or the belief that institutional leaders that such activities are beneath them. In frustration, many often abdicate their leadership of fundraising to a development staff (Hodson, 2010). While a president does not need to be experienced in fundraising, Cheshire (1980, p. 14) believes it is important for the president to be at the center of the fundraising effort: "suggesting, critiquing, judging, challenging, and performing. As he is part of it, he will be a force in it, and that is essential to the moving spirit of what must be a total institutional commitment." Strong leadership is fundamental to a successful campus fundraising program.

Recommendations for future study

The findings from this study raised a significant number of questions and there are

several lines of research that emerged as a result that should be pursued. Among the most significant areas for future study that emerged were the phenomenon related to female presidents, the privatization of small universities, and the faculty composition of the collegium.

Women as Presidents. First, an interesting phenomenon was revealed as a result of the research. It was learned that the most successful fundraising universities in recent years were led by female presidents. In 2009, while most colleges and universities in the United States reeled from the financial strains placed upon them from a struggling economy, a handful of institutions found themselves beneficiaries of extremely large and anonymous gifts. This news was a stark contrast from headlines of tuition increases, hiring freezes, and massive budget cuts. For many of these institutions, the donations represented the single largest gift in the institution's history, as each gift surpassed seven figures and at least two of the universities received gifts of over $10 million. As the public began learning of this intriguing story and as the media tried to identify the anonymous donor, one characteristic became clear – all gifts were made to institutions where a woman served as the president (Pope, 2009). Although the amount of research addressing issues related to the relationship between women and higher education continues to steadily increase and gain prominence, studies of women who hold the position of college president are few. Even fewer are the studies seeking comparisons or commonalities in the leadership frames of female presidents. This research would have a significant impact on the study of fundraising by potentially identifying the reasons for their leadership and fundraising success.

The Privatization of Small Universities. While privatization discussions have arisen from state budget problems, they also arise from the idea from legislators that by forcing public universities to behave more like privates, they will be forced to compete for resources and in turn become less wasteful and more efficient (Ehrenberg, 2005). As state support becomes an

increasingly smaller portion of their budgets, many public universities want to be freed from legislative constraints that lead to ineffective operations and they want the freedom to make economic decisions that will improve their ability to compete with private schools. Perhaps the most important decision public universities want control over is the freedom to raise tuition to market levels. Previously, public universities raised undergraduate tuition substantially only during times of recession in order to offset the effects of state budget cuts (Ehrenberg, 2005). When universities did this, however, state legislators and governors were the target of political pressure to limit future increases or even roll back increases, as experienced in Virginia and California in recent years.

As explained by Ehrenberg (2005), Flagship public universities have many more applicants than they have positions in their first-year student bodies, so large tuition increases are not likely to leave them with unfilled seats. Ehrenberg warns universities that they will have to maintain the selectivity of their undergraduate student bodies since large tuition increases may make private competitors seem more attractive to many of their top applicants who won't receive financial aid. Nevertheless, Ehrenberg postulates that flagships will prosper the most from moving to a high tuition/low state funding model because the demand for their seats is likely to be much less sensitive to price that for those at public comprehensive universities which already admit a large percentage of their applicants.

Opponents to privatization cite increasing data on Pell Grants and the extremely low shares of recipients of the grant who attend public flagships. Other opponents warn of the risk of public education's becoming even more stratified with upper and upper middle income students studying at flagships and lower and lower middle income students studying at less well funded public comprehensive institutions and two year colleges. Flagships will have not only more room

to raise tuition but a great ability to increase other sources of revenue such as endowments, annual giving and revenues from commercialization of research findings - historically, those who attend better funded institutions have higher earnings after education and become candidates for eventual donations to the university (Ehrenberg, 2005). This future raises many concerns and causes the researcher to consider the implications for students from disenfranchised communities. Further, and from a fundraising perspective, the researcher considers an environment even more open to influence from venture philanthropists.

When is a collegium not really a collegium? Finally, the researcher spent a great deal of time considering the true meaning of a collegium and its composition. The researcher questions whether a collegium can ever really operate effectively when all of its members are not treated equally.

In the last quarter century, faculty of color have increased on campuses across America by less than 6 percent. In fact, no one ethnic/racial group has grown by more than 2 percent over the last twenty-five years. Similarly, women of color have increased their representation by only 7 percent since 1989. The representation of faculty of color on campuses nationwide varies as well. The largest representation of faculty of color is at public two-year institutions where, in 1998, approximately 12 percent of the faculty were identified as persons of color. Faculty of color comprised less than 9 percent of the faculty at public four-year colleges and universities in 1998, marking only a 3 percent increase since 1972. These patterns also hold true for women of color who had the largest representation in public schools and the smallest representation in private schools (Villalpando & Delgado Bernal, 2002).

The underrepresentation and low academic status of faculty of color, in particular black women, has a significant impact on the current minority student population. The absence of

faculty of color lessens the probability that students of color will complete graduate and professional programs at the same rate as white students (Allen et al., 2002). The most persistent, statistically significant predictor of enrollment and graduation of African American graduate and professional students is the presence of faculty of color and institutions that are successful in recruiting and retaining black faculty do a better job of recruiting, enrolling, and graduating black students than those with few or no black faculty members (Allen et al., 2002). Women faculty of color often encounter obstacles that limit their ability to position themselves favorably in academia. Female faculty are often overburdened and often have inflexible research expectations leveled against them (Allen et al., 2002).

Female faculty of color often find themselves overburdened with departmental, university and community obligations. In addition to standard committees, black female faculty members are often expected to serve on committees dealing with issues of color and gender, race relations, recruiting faculty and students of color, university relations and community outreach (Allen et al., 2002). Faculty report viewing improving campus relations, enlarging opportunities for female students/faculty of color and strengthening support systems for non-traditional students as exceptionally important, but they undertake this work at the cost of reducing their efforts in other areas (Allen et al., 2002).

Faculty members of color often feel overwhelmed by their position as mentor (Allen et al., 2002). Because of a sense of obligation to their students, faculty members become mentors to many more students than is typical for their white and male peers. Most white institutions employ only a few faculty of color and few women and therefore students seeking authorities on race and gender or supportive role models who share their experiences are drawn to a very small group of women for direction and moral support.

Advisors who share a cultural background with their students are more likely to understand that student's experience; however, this understanding is not always based on the advisor's educational background, and is often related to their own life experience as a member of the cultural group (Mitchell & Rosiek, 2005). Because of the volumes of students they mentor, their research and publication efforts may be postponed. The evaluation process for faculty of color typically gives little consideration to the effects excessive counseling, advising, mentoring or committee work has on their ability to publish meaningful work (Allen et al., 2002).

While many factors influence the lack of progress for faculty of color, most of the responsibility lies in the structure, policies and practices leading hiring, retention, and promotion (Villalpando & Delgado Bernal, 2002). One of the most destructive perceptions held by higher education and white faculty is that faculty of color are hired because of some sort of desire to fulfill "quotas" or that they are hired because they are members of a minority group; not because they possess the qualifications for the position (Villalpando & Delgado Bernal, 2002). Higher education must understand the potential benefits of hiring faculty of color. Not only are faculty of color as qualified as their white counterparts, but the cultural resources they contribute are invaluable (Villalpando & Delgado Bernal, 2002). It is the hope of this researcher, that the journey of faculty members of color and female faculty members be examined in order to understand how their experiences could serve to enhance and strengthen the collegium.

Summary

From nearly the beginning of individual giving to the colleges, donors influenced decision making at the colleges they supported, thus, creating a battle between college and donor over who had the right to define the curriculum and to pick the scholar to occupy the chair

(Thelin, 2004). Recent and dramatic declines in state funding for higher education have resulted in decreased revenue and as a result, universities are stepping outside of their traditional fundraising boxes to support themselves.

Universities are becoming more market driven, seeking additional external resources and doing business differently in order to meet the pressures of competition and to meet the goals of the university (Drezner, 2011). Venture philanthropy presents both opportunities and challenges for higher education, (Marcy, 2001). Venture philanthropists do not respond to traditional roles and long-standing, proven strategies and they prefer to be actively involved and share their ideas for the future. They are not inclined to perpetuate the status quo and will test the university to see how well they respond to their thoughts and ideas, and then determine whether or not to move forward with developing a relationship (Marcy, 2001).

These philanthropists often treat their donations just as they would their business transactions; they want the opportunity to be involved in the decision making and opportunity to advance their agenda. They do not donate with the intention of not being involved and consulted. Venture philanthropy often lacks transparency and the implications of this new philanthropy for the university are not yet understood (Miller & Bellamy, 2012). Further, not only is the long term impact to universities not understood, but it is grossly under researched and examined.

Utilizing Birnbaum's model of the collegial institution as the theoretical framework and building upon the research of Merchant (2014), this study sought to determine whether the traditional collegial model of shared governance could accommodate the emergence of venture philanthropy in a way that protects and enhances the mission and vision of university. To achieve this goal, the following research questions were identified:

1. Can the traditional university model of shared governance accommodate the process by which venture philanthropy is accepted?

   a. Can the acceptance of venture philanthropy impact the culture and norms of a university including affecting the curriculum?

   b. Can a shared governance model for the acceptance of venture philanthropy safeguard the university against threats against academic freedom?

2. Has shared governance been employed in the acceptance of venture philanthropy at two collegial liberal arts universities in the Southeastern United States?

   a. Who was involved in the acceptance of the venture philanthropy?

   b. What are the gift acceptance policies at these institutions?

As discovered through this study's interviews, both faculty and administrators desire a collegial and collaborative campus culture and believe that not only can shared governance serve a major role in the acceptance of philanthropic donations to the university, but that shared governance is necessary to a sound philanthropic plan. There exists among faculty, a strong motivation for an environment of transparency as it relates to donations made to the university.

Focusing on strategies to incorporate venture philanthropy is necessary to build trust and engagement among faculty and staff. This study shows that the shared governance model can mitigate challenges that may come with gifts of venture philanthropy. Further, this study serves to impact the field of philanthropy by challenging offices of institutional advancement to operate beyond the involvement of their office and including faculty consistently in the fundraising conversation. The inclusion of faculty into the fundraising process is encouraged as universities try to advance their institutions.

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APPENDIX A

PARTICIPANT CONSENT FORM

Participant's Name: ____

I hereby consent to participate in the research project entitled: An Examination of the Impact of Venture Philanthropy on the Mission of Higher Education. An explanation of the procedures and/or activities and their purpose were provided to me in an oral presentation by: Deshon Cowan Baker, Doctoral Degree Candidate at Louisiana State University in Baton Rouge, Louisiana. I hereby give Deshon Baker and Louisiana State University all right, title, or interest in the tape-recorded interviews conducted for her dissertation. I understand that these interviews will be protected by the use of a fictitious name assigned to me. Confidentiality will be provided and my identity will not be revealed. Additionally, I may withdraw from the study at any time without any penalties. I also understand that the transcripts may be used in public presentations including but not limited to audio or video documentaries, slide-tape presentations, plays, or exhibits. I further understand that the transcripts may be used for publications including but not limited to articles, books, or newsletters.

CHECK ONE:

Tapes and transcripts may be used without restriction________

Tapes and transcripts are subject to the attached restrictions_________

Signature of Interviewee: ____

Date______________ Contact Number/e-mail____

APPENDIX B

INTERVIEW PROTOCOL

Time of interview:
Date:
Place:
Interviewee:
Job Title:

<u>Interview Questions</u>

Philanthropy:

1. What is your role in fundraising at the university?
   Are you directly involved in the acceptance of donations?
1. Who makes cash donation acceptance decisions for the university?
2. What is the process for accepting cash donations on behalf of the university?
3. Does the university have a Gift Acceptance Policy (GAP)?
4. Do you refer to the Gift Acceptance Policy before accepting a donation?
5. What is the mission of this Division of Institutional Advancement?
6. What is the mission of the university?
7. What is the vision of the university?
8. What is the largest cash gift you have ever solicited?
9. How would you characterize the donor of that gift?
10. Did this gift align with the mission of the university?
    If yes, how?
    If no, did you accept it and why?
    How do you reconcile it not aligning and still present it to the campus community?
1. Did this gift align with the vision of the university?
   If yes, how?
   If no, did you accept it and why?
1. Where there any conversations with the donor about this gift? How many?
2. Did you confer with the GAP before accepting this donation?
3. How are donors made aware of the GAP?
4. Were the donor's intentions clearly outlined in the gift acceptance agreement?
5. Was the campus informed of this gift? How was it publicized?
6. What is your definition of philanthropy?
7. Have you ever felt as though the financial needs of the institution outweigh the importance of aligning donations with university's mission?
8. What are your individual assigned goals for fundraising?

Shared Governance:

1. Are you familiar with the term "shared governance?"
2. How do you define shared governance?

3. Was there ever a time when you felt conflicted about accepting a donation? Why were you conflicted? How did you handle it?
4. What do you think about a shared governance approach to philanthropy?
5. Does the university utilize a shared governance approach to the acceptance of donations? Please explain.
6. Do you think faculty goals are considered when soliciting donations? Why or why not?
7. Do you think it is important that other administrators outside of the Institutional Advancement office be involved in the gift acceptance process? Why or why not?

APPENDIX C

INTRODUCTION LETTER

February 2017

Dear Research Participant:

This correspondence is to request your participation in an educational research study. I, along with my graduate advisor and committee of professors, solicit your help. The purpose of the study is to gain a further understanding of the university philanthropy process.

There exists limited research on the acceptance of venture philanthropy in higher education One of the goals of this study is to provide an account of your experiences in your own words. If you are interested in participating, I would like to conduct an initial interview with you within the next several weeks. An additional interview may be warranted for the purpose of clarification and so that you might verify my conclusions. Your participation in this project is entirely voluntary.

I do hope that you will choose to assist me with this project. I look forward to talking to you. Sharing your experiences will be valuable part of this research. Along with your consent to participate you can be assured that extreme confidentiality will be maintained. If you agree to participate, please return this letter with your contact information.

Please contact me if you have questions or concerns regarding my request.

Respectfully,

Shon Baker
Doctoral Candidate
Louisiana State University

Daytime: (985) 448 – 4098/ Evenings: 448 –3988
E-mail: dcowan2@lsu.edu

I am willing to participate in the interview portion of this research study:

Signed:____

Printed name:____

Date: ____

APPENDIX D

DONOR BILL OF RIGHTS

A Donor Bill of Rights

PHILANTHROPY is based on voluntary action for the common good. It is a tradition of giving and sharing that is primary to the quality of life. To ensure that philanthropy merits the respect and trust of the general public, and that donors and prospective donors can have full confidence in the not-for-profit organizations and causes they are asked to support, we declare that all donors have these rights:

I.

To be informed of the organization's mission, of the way the organization intends to use donated resources, and of its capacity to use donations effectively for their intended purposes.

II.

To be informed of the identity of those serving on the organization's governing board, and to expect the board to exercise prudent judgement in its stewardship responsibilities.

III.

To have access to the organization's most recent financial statements.

IV.

To be assured their gifts will be used for the purposes for which they were given.

V.

To receive appropriate acknowledgement and recognition.

VI.

To be assured that information about their donations is handled with respect and with confidentiality to the extent provided by law.

VII.

To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.

VIII.

To be informed whether those seeking donations are volunteers, employees of the organization or hired solicitors.

IX.

To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share.

X.

To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.

DEVELOPED BY

Association of Fundraising Professionals (AFP)
Association for Healthcare Philanthropy (AHP)
Council for Advancement and Support of Education (CASE)
Giving Institute: Leading Consultants to Non-Profits

ENDORSED BY

(in formation)
Independent Sector
National Catholic Development Conference (NCDC)
National Committee on Planned Giving (NCPG)
Council for Resource Development (CRD)
United Way of America

APPENDIX E

STATEMENT OF ETHICAL PRINCIPLES IN FUNDRAISING

PREFACE

Fundraisers work in many varied fields, countries and circumstances, but they share several fundamental values and practices: they work to make the difference, help others and save what is valuable, in fact to make the world a better place. It is for these reasons that fundraisers strive to identify and employ best practices.

It is the purpose of this Statement of Ethical Principles to foster the growth of a worldwide fundraising community dedicated to accountability, transparency and effectiveness. In this Statement we want to set forth what unites us in the way we practise our profession.

Recognising that in many countries there already exist codes of conduct and standards of practice, the intent of this statement is to unify the global fundraising community behind a single universal declaration of fundamental principles. Organizations and individuals who endorse this Statement are not necessarily abandoning existing codes or standards, but are announcing their interest in a global understanding of these fundamental principles.

Applied in different cultural settings, this Statement can provide guidance for initiating best practices in newly developing markets. It also provides a clear alternative to local customs which may not represent best practices. Adherence to this Statement should also advance the common purpose of assuring public trust in the non-profit sector while discouraging personal gain at the expense of donors and stakeholders.

A form of words has been incorporated within the statement in paragraph 5 where use of the

words "*will*" and "*must*" indicate what is a mandatory requirement and "*should*" what is regarded as best practice by all organizations endorsing the statement. The statement recognises that fundraisers operate subject to many different jurisdictions and that they must observe the law of the jurisdiction in which they work. However, it is expected that fundraisers adhering to the principles of the statement should adhere to the most rigorous interpretation of the law (and of the Code of Ethics of their own Membership Association) applicable to an activity, whichever jurisdiction that activity derives from.

FIVE UNIVERSAL PRINCIPLES

Five important principles for acting as a fundraiser:

Honesty: Fundraisers shall at all times act honestly and truthfully so that the public trust is protected and donors and beneficiaries are not misled.

Respect: Fundraisers shall at all times act with respect for the dignity of their profession and their organisation and with respect for the dignity of donors and beneficiaries.

Integrity: Fundraisers will act openly and with regard to their responsibility for public trust. They shall disclose all actual or potential conflicts of interest and avoid any appearance of personal or professional misconduct.

Empathy: Fundraisers will work in a way that promotes their purpose and encourage others to use the same professional standards and engagement. They shall value individual privacy, freedom of choice, and diversity in all forms.

Transparency: Fundraisers stimulate clear reports about the work they do, the way donations are managed and disbursed, and costs and expenses, in an accurate and comprehensible manner.

STANDARDS OF PRACTICE

These standards are presented with the recognition that fundraisers operate subject to many different jurisdictions and that they must observe the law of the jurisdiction in which they work. However, it is expected that fundraisers adhering to these standards of practice will, first and foremost, adhere to the most rigorous interpretation of the law, and of the Code of Ethics of their own membership association, applicable to an activity, whichever jurisdiction that activity derives from.

1. Fundraisers responsibility regarding donations.

- Donations should be accepted if voluntary, in line with the goals of the organisation and will bring not more than reasonable costs related to the value of the donation.
- Funds will be disbursed in accordance with the donor's wishes, if expressed.
- Funds will not be raised for the personal financial gain of the fundraiser or the fundraising organisation the fundraiser works for.
- Funds will be collected carefully and with respect of donor's free choice, without the use of pressure, harassment, intimidation or coercion.

2. Relationship with stakeholders.

- Fundraisers are strictly answerable to all stakeholders including donors, beneficiaries, and employers.
- Fundraisers will respect donor rights by providing timely information about how contributions are used, respecting donor privacy, and honouring donor wishes.
- Fundraisers will respect beneficiary rights and preserve their dignity and self-respect. They will not use fundraising materials or techniques that undermine this dignity.
- Fundraisers work with suppliers or intermediary agents at the same standards as within their own organisation. They make reasonable efforts to assure that suppliers do not gain

unreasonable profit while working with their own organisation.

3. Responsibility for communications, marketing and public information.

- Fundraisers will only use public information that is accurate, truthful and not misleading, and information that respects the dignity and self-respect of beneficiaries.
- Fundraisers will not express or suggest in public information that fundraising lacks administration and fundraising costs, thus giving the incorrect impression that fundraising activity is without costs. Fundraisers will object to their organization expressing or suggesting that fundraising activity is without costs.
- Fundraisers will provide truthful information about use of funds, without exaggeration or underestimation.
- They respect data protection rules and laws at all times.
- Fundraisers accept that all donor and prospect information developed by or on behalf of an organisation shall not be transferred or utilised except on behalf of that organisation.
- Donor wishes to be removed from request lists will be followed promptly and without obstacles for the donor.

4. Management reporting, finance and fundraising costs.

- Fundraisers assure that all fundraising transactions, accounting and reporting for which they are responsible are transparent and unambiguous. They are able to account anytime for their professional work.
- They will encourage their organisation to report within the national and international standards of accounting methods.
- They will submit accurate annual reports to all stakeholders within a reasonable time or encourage their organisation to do so.

- Fundraisers will be open and clear to all stakeholders about fundraising costs, fees and expenses and the way these are allocated.
- They will make any compensation arrangement transparent to an employer, donor, and beneficiary upon request.

5. Payments and compensation.

- Fundraisers provide their services either as a volunteer, or on a salaried basis or for pre-determined fees. Fundraisers should not accept commissions or compensation based upon a percentage of the funds raised.
- Fundraisers will not accept any gratuity when making decisions on behalf of the organisation.
- Fundraisers will not seek or accept any personal payments, in cash or in kind, from a supplier of goods or services in recompense for business placed with that supplier.
- Criteria that will qualify a fundraiser for performance-based remuneration must be agreed upon beforehand and should not be based on a percentage of the funds raised.

6. Compliance with national laws.

- Fundraisers will object if the organisation they work for does not comply with applicable local, state, provincial and national or international civil and criminal laws.
- Fundraisers will not engage in activities that conflict with national and international legal obligations to their organisation or to others. Moreover, they will avoid even the appearance of any criminal offence or professional misconduct.

APPENDIX F

IRB APPROVAL

ACTION ON EXEMPTION APPROVAL REQUEST

Institutional Review Board
Dr. Dennis Landin, Chair
130 David Boyd Hall
Baton Rouge, LA 70803
P: 225.578.8692
F: 225.578.5983
irb@lsu.edu
lsu.edu/research

TO: Deshon Baker
Human Sciences and Education

FROM: Dennis Landin
Chair, Institutional Review Board

DATE: May 22, 2017

RE: IRB# E10486

TITLE: An Examination of the Impact of Venture Philanthropy of the Mission of Higher Education

New Protocol/Modification/Continuation: New Protocol

Review Date: 5/22/2017

Approved ____X____ **Disapproved** __________

Approval Date: 5/22/2017 **Approval Expiration Date:** 5/21/2020

Exemption Category/Paragraph: 2a

Signed Consent Waived?: No

Re-review frequency: (three years unless otherwise stated)

LSU Proposal Number (if applicable):

Protocol Matches Scope of Work in Grant proposal: (if applicable)

By: Dennis Landin, Chairman DLandin

PRINCIPAL INVESTIGATOR: PLEASE READ THE FOLLOWING –
Continuing approval is CONDITIONAL on:

1. Adherence to the approved protocol, familiarity with, and adherence to the ethical standards of the Belmont Report, and LSU's Assurance of Compliance with DHHS regulations for the protection of human subjects*
2. Prior approval of a change in protocol, including revision of the consent documents or an increase in the number of subjects over that approved.
3. Obtaining renewed approval (or submittal of a termination report), prior to the approval expiration date, upon request by the IRB office (irrespective of when the project actually begins); notification of project termination.
4. Retention of documentation of informed consent and study records for at least 3 years after the study ends.
5. Continuing attention to the physical and psychological well-being and informed consent of the individual participants, including notification of new information that might affect consent.
6. A prompt report to the IRB of any adverse event affecting a participant potentially arising from the study.
7. Notification of the IRB of a serious compliance failure.
8. **SPECIAL NOTE: When emailing more than one recipient, make sure you use bcc. Approvals will automatically be closed by the IRB on the expiration date unless the PI requests a continuation.**

* *All investigators and support staff have access to copies of the Belmont Report, LSU's Assurance with DHHS, DHHS (45 CFR 46) and FDA regulations governing use of human subjects, and other relevant documents in print in this office or on our World Wide Web site at http://www.lsu.edu/irb*

VITA

Shon Baker lives in New Orleans, Louisiana. Prior to enrolling at Louisiana State University, Shon earned a master's degree in counseling from the University of Holy Cross and a bachelor's degree from Campbell University in psychology. Her research interests include philanthropy, gender differences in altruism, and philanthropy policy.