The role of the college president as one of the chief actors in academic fund raising is examined against the background of today's period of financial caution and increased competition for philanthropic support. The paper first provides an overview of the state of the art of fund raising and some ways in which college and universities have responded to the continued emphasis on fund raising. Next, the paper outlines some basic characteristics of a fund raising executive and the alumni response. Finally, the involvement of the college president is discussed in the areas of major and special gifts, the annual fund, planned gifts, grants, and capital campaigns. It is noted that the college president has a responsibility to the successful management of the institution, and is therefore, obligated to a certain degree to fund raising programs. In addition, it is important that the president recognize the value of a strong cultivation program targeted at students in order to provide the base for senior giving programs, class gifts, and reunion giving. Contains 29 references. (GLR)
The College President's Role In Fund Raising

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Running Head: President's Role in Fund Raising
Abstract

Higher education has consistently faced periods of financial caution, and today, fund raising has been declared a legitimate alternative to replace and supplement state funds. While a number of variables effect alumni giving, the college president has taken on an increased responsibility in fund raising. In fulfilling this responsibility, the college president must become involved in each individual component of the fund raising program. The key to institutional advancement success then, is based on the concept of presidential involvement with alumni and undergraduate constituencies.
Introduction

Fund raising for higher education can be traced directly to the opening of the medieval universities in twelfth century Europe (Haskins, 1957). As these institutions opened for the first time and matured, college founders were forced to take measures to secure the money and resources necessary for the college's operation, such as living arrangements for students, book acquisitions, and faculty incentives (Rashdall, 1936). In order to accomplish this early fund raising, the college founders and 'president' solicited businessmen, merchants, and other college supporters for cash and in-kind contributions. The concept of the chief college faculty member being responsible for fund raising was transported to the Colonial Colleges in New England, and was common at institutions such as the College at Cambridge (later Harvard) where head faculty members solicited, in person, gifts of brick, mortar, food, books, and cash and other valuables.

The concept of the college president active in raising money for the institution has come full-circle since faculty leaders role in soliciting gifts in the Colonial Colleges. At one point, college presidents focused their attention on hiring and maintaining a staff of fund raising specialists, and have now returned to personal involvement to accompany these specialists' work. Today, during a period of financial caution and increased competition for philanthropic support, the college president has again become one of the chief actors in academic fund raising. To accomplish this, however, college presidents must understand their
purpose in institutional advancement activities, and in many instances, must prompt their own involvement with alumni programs.

Most academic administrators fail to realize that most alumni and development offices are intricate structures which incorporate all facets of the college community in addition to local and national businesses and foundations, alumni, and other personnel. The success of academic fund raising has been indicated by the constant increase in money raised for education since 1974 (Bailey, 1989; Putka, 1988). Despite a slight decrease in giving to education in 1988, unprecedented numbers of donors are making financial contributions to their alma mater.

In this light, these comments and research findings have been developed to assist in the involvement of the college president in development-related activities. Practitioners should note, however, that all institutions are unique in many ways, and the recommendations presented here are meant only as a guide to better understand and comprehend the role the college president can play.

State of the Art

The World Around Fund Raising

The world around academic fund raising, particularly alumni giving, is not as positive as recent trends in philanthropic giving might indicate. The Tax reform Act of 1986 and the proposed Treasury Department tax on higher education endowments threaten the future success and existence of many private and public institutions. Recent success by other philanthropic agencies, the
growth of smaller non-profit organizations, and reduced federal spending for social benefit programs has forced higher education to seek funds in a more competitive philanthropic market place. As giving to other non-profit sectors increased as much as 30 percent, giving to education decreased, and has failed to grow at the same rate as other non-profits.

In response to the continued emphasis on fund raising, a variety of professional organizations have begun implementing training and continuing education programs, conferences, and information sharing opportunities. An indication of this activity is the fund raiser certification program sponsored by the National Society of Fund Raising Executives (NSFRE). Additionally, numerous educational institutions have created institutes and degree granting programs for fund raisers, such as those at Harvard, George Washington University, and Vanderbilt (Carbone, 1985).

While some have been hesitant to accept fund raising as a profession and feel that it is better left as a component in the world of human services (Schultz, 1967), the practice of raising money for colleges and universities has become more formalized. Morgan (1985), in reporting the results of the NSFRE 1985 membership survey, reported that for educational institutions, most fund raisers had held three positions prior to their current job, and had been in fund raising for almost nine years. Additionally, 42 percent of the survey respondents had earned advanced educational degrees, and almost 40 percent responded that they had
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a full-time professional fund raising staff of at least three.

A question of ethics has also become a topic for discussion among fund raisers. Following a case at a public institution, it was revealed that accepting fees for raising money was not uncommon. This moved the National Society of Fund Raising Executives to publicly debate the issue of working on a "commission" basis NSFRE eventually approved the concept with provisions for ethical behavior.

Defining the Fund Raising Executive

Identifying the academic fund raiser is a relative new endeavor, yet reflects a growing interest in the procedures and strategies, as well as the personnel, utilized in raising external funds (Miller, 1991; Miller & Seagren, 1991).

Burdette (1987) attempted to define the ideal fund raiser, but first advocated a "mini-audit" to fully understand what the institution needs from the individual and what type of individual would best fit these needs. The process of hiring a fund raiser, Burdette claimed, should most notably be one of hiring someone who will "fit-into" the office. The ideal candidate to fill a fund raising position, then, is one with experience not only in fund raising, but also in office management. The individual should also have a great deal of physical and emotional energy, enthusiasm, perspective, understanding, commitment, aggressiveness (to the extent that it is compatible with the office), honesty and passion.
Brakeley (1980) reported that in addition to these attributes, the fund raiser should be motivated by "a real belief in the value of the organization's work" (p. 18). Brakeley continued and illustrated that there is a shortage of qualified fund raising professionals. Due to this shortage, "raiding" of other philanthropic organizations has become common, but looking to the business sector should also be considered. The main talent or ability contention Brakeley made, however, was that the individual responsible for fund raising should be compatible with the institution's constituents and must be able to manage an office.

While the characteristics of each institution's personnel are dependent on the differing type of institution being served, there are certain traits which are applicable to all fundraising offices. In an interview with three fundraising search firm representatives (Ast, Moore, & Rook, 1986), knowledge of technical skills, human relations skills, and conceptual skills were all identified as crucial to anyone involved with fundraising. The ability to analyze and critically evaluate the success of a program was also identified.

Many of these same characteristics have been described as being essential to college presidents. Eble (1988) described managing a college or university as an "art" which most importantly involves communication with all levels of the institution's employees, especially faculty and external constituencies. Eble suggested that effective academic administration through the president is based on clear communication and an ability to relate
to people. Additionally, a talent for motivating people through promoting self-worth and knowledge of how to operate an office were identified as crucial to all college presidents. Honesty, a passion and commitment to the institution and for the job were also listed as a necessity.

Pollard (1958) noted that the college president must use the power of the position to integrate the operation of the campus with alumni, and one way to accomplish this is through the development and support of "a community of scholars with creative ability and great curiosity" (p 3). Alumni participation in events and fund raising has been at least partially linked to their relationship and respect for faculty. As faculty involvement with students and alumni has increased, so has giving. This same tactic, Pollard claimed, is applicable to the college president.

The reasons alumni respond to these development professionals are varied, and often not within the control of the institutional advancement office. Alumni have indicated that giving has been based on affinity developed through student involvement (Gardner, 1975; Nelson; 1984), personal feelings of obligation and self-esteem (Anderson, 1981; O'Connor, 1961), loyalty (Dove, 1987), and even the structure and personnel of the development office (Paton, 1982; Wolshon, 1981).

Against this background of variables, which range from presidential and fund raiser characteristics to factors which influence giving, the chief academic officer must face becoming involved in fund raising activities to assure the institution of
much needed income. While there is no guarantee that the president's personal involvement will increase giving, a great deal of accountability, credibility, and attention can be given to fund raising activities if the president is involved.

The Involved President

Virtually all fund raising programs differ in their approach to raising money, however, most consist of the same components and activities. Rowland (1977) provided an overview of these procedures which included: major and special gifts; the annual fund; planned gifts; grants; and among other prominent activities, capital campaigns.

Major and special gifts have always played a significant role in advancement programs. These gifts were historically the first to be raised for colleges and universities. A major gift has been defined, as the title indicates, a sizable gift, dependent on the typical size of annual gifts.

These gifts are usually solicited through alumni volunteers. Friends of the institution as well as faculty members and fund raising staff members have also been involved in these solicitations. Kelly (1986) prescribed that for success in soliciting these gifts, the alumnus must be made to feel that the amount of money is not an arbitrary figure, but will fulfill a specific purpose and will be recognized by all levels of the institution, including the president. Others (Stover, 1930) have indicated that for a major gifts program to sustain growth, the
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College president must participate actively in the cultivation (the preparation) and solicitation of the gift.

As indicated, identifying individuals to make major gifts is not a simple task. The annual fund, that is, the gifts which provide an institution with often discretionary annual income, has the potential to identify major donors. The annual fund utilizes mail appeals, telefunds, special events, video, and even personal solicitations to secure gifts. By increasing the size of annual gifts, donors are identified which will be able to participate at the major gifts level.

In terms of the actual solicitations, however, the college president must often lend his or her name to give the campaign needed credibility and accountability. Appearing at annual fund events such as dinners, sporting events, and giving club receptions may appear to be an extravagant use of time for donors ranging from $5 to $1,000, but is considered a strategic tactic and is essential to moving donors into major gift levels.

Planned gifts are considered any gift which requires financial planning, and includes deferred gifts such as bequests, the giving of stocks and bonds, and all variations of charitable trusts. These gifts are considered to be the most desirable due to their size and potential for growth. Hedgepeth (1985) described a hierarchy of giving, with annual fund contributions forming the base, involving the most alumni. Major gifts make up the midsection of this pyramid, but the goal of the fund raising program to convince alumni to make planned gifts.
In obtaining these desirable contributions, the college president needs to be available for alumni to explain the importance of their commitment. The president also carries the prestige of the institution, and by simply making an appearance and discussing institutional needs with potential planned giving donors, can provide the necessary motivation for the alumnus to participate.

Each component discussed has dealt strictly with alumni giving, but the president's role needs to be expanded to working with grants. While some development offices have removed grants from their function and delivered the responsibility to the institution under the heading of "research," many fund raising offices still hold the responsibility of obtaining grants from private foundations and industry. In these efforts, the president carries the legitimacy of the institution to the proposal. By becoming involved in the process of contacting corporate offices and working to cultivate possible funding sources, the agency can become aware of the institution's true need for the revenue.

One of the most recent components of fund raising programs to receive considerable attention is the capital campaign. In 1989, colleges and universities combined to raise over $1 billion in capital gifts (Gurin, 1987), while over $500 billion has been targeted for multi-year capital campaigns (Allbright, 1990). The capital campaign is an intensive fund drive for an organization which utilizes donors from all levels, but requests gifts for a specific purpose over a specified period of time. There have been
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A number of capital campaign consulting firms developed over the past decade (Hauman, 1987), but in campaign implementation, support from the upper-levels of the institution are required. Capital campaign assessment reports commonly indicate that in order for the campaign to be successful, the president of each institution must agree to participate actively in the fund raising process.

As in the other components of giving, the college president can best illustrate the need for gifts. Presidential charisma does not convince donors to give, but rather, the perceived importance of the fund drive which warrants involvement from the president. Unique to capital campaigns is the limiting time structure which demands virtually daily attention by the president.

Discussion

In the light of the current need for successful fund raising programs for educational institutions, the common traits of fund raisers and college presidents, and the activities listed for college presidents involvement, more must be done to secure alumni gifts. The college president has a responsibility to the successful management of the institution, and is hence obligated to a certain degree to fund raising programs. While appearing at a dinner, being a guest speaker, and signing letters may all be part of the president's involvement, the college president must take additional measures to participate in cultivation efforts. This effort, considering the literature discussed, falls around the major theme of visibility, both with undergraduates and alumni.
Some of the research discussed previously indicated a relationship between undergraduate activities and experience and donor status. Additional work by the Council for the Advancement and Support of Education has illustrated the importance of undergraduate understanding and appreciation for the role alumni play in the institution's survival. Most notably, CASE developed the Student Alumni Association/Student Foundation (SAA/SF) Network to allow for both formal and informal exchanges of information relating to the concept of student-focused programming. The premise of the SAS/SF Network is that students need to be aware of the impact alumni have on the institution prior to graduation, and that a "good" cultivation program begins before the student (i.e., future alumnus) leaves campus.

The college president must recognize the value of a strong cultivation program targeted at students. This type of activity provides the base for senior giving programs, class gifts, and reunion giving. To give attention to students, the chief academic officer should make an effort to become involved in student affairs activities, and be highly visible in non-formal settings. The president has the ability to give the students a broader perspective on the institution, illustrate and communicate the value of alumni support, and help prompt a positive experience on campus.

Specific activities for the president to become involved with include: orientation programs, student and alumni joint receptions, presentation of recognition for student volunteerism, visibility
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at social and athletic functions, and even participation in such activities as dorm olympics and homecoming receptions.

Alumni hold very different attitudes concerning the institution than undergraduates, often romanticizing the years spent on campus. These memories which have the potential to result in loyalty, affinity, and positive attitudes, are developed through a "constellation" of experiences (Caruthers, 1971). This constellation is made up of both simplistic and intricate components, ranging from experimentation with alcohol for the first time, to level of perceived competence in a particular field of study upon graduation. While the college president can not effect each individual component, the title, "president" carries a great deal of weight and influence in the minds of alumni (Stover, 1930). Accordingly, alumni respond to "real" needs, and their perception of "real" has been defined as 'of enough attention from the university that even the college president must become involved.'

The relationship is thus established between the president and alumni, and specific activities for presidential involvement may include personal visits and letters, phone calls to say "thank you" to key volunteers and donors, indications of appreciation on behalf of the institution, and visibility in alumni sponsored events.

In all, the college president has an inherent responsibility in fund raising activities. While professional fund raisers have become common, the college president must continue to cooperate and even implement involvement.
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Much of this involvement, however, is not limited to the alumni relations or the development office. The college president must perceive institutional advancement as a broad concept which entails activities in student affairs, housing, and athletics. Only by becoming involved with students and alumni can the college president accept current fund raising results.
References


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