MILLION DOLLAR READY ASSESSING THE INSTITUTIONAL FACTORS THAT LEAD TO TRANSFORMATIONAL GIFTS DECEMBER 2013

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Million-dollar donors have been studied extensively, but less is known about the institutions that receive their gifts. What makes them so attractive to generous donors, and what can other institutions learn from their examples? This report examines colleges and universities that benefit from donations of one million dollars or more, and identifies the characteristics that help them attract major gifts.

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EXECUTIVE SUMMARY

Million-dollar donations have the ability to transform higher education institutions. However, less than one in three degree-granting higher education institutions in the U.S. received a publicly announced million-dollar donation from 2000 to 2012. Far fewer institutions received multiple million-dollar gifts.

In the past, efforts to understand million-dollar giving have focused on donors, hoping to understand the factors that led them to give. This report turns the tables, in effect, attempting to identify the characteristics of the higher education organizations that consistently attract million-dollar-plus gifts – in other words, striving to understand what makes them "Million Dollar Ready."

For this study, Johnson, Grossnickle and Associates and the Indiana University Lilly Family School of Philanthropy used a unique data set that combines Million Dollar List data on gifts to higher education with data on the institutions receiving such gifts. In all cases, factors other than those specifically studied were held constant. Additionally, the researchers considered the driving forces behind such giving through case studies of three universities with a history of receiving million-dollar gifts: Arizona State University, DePauw University, and Massachusetts Institute of Technology.

While the study does not provide any quick-and-easy recipes for million-dollar-gift success, it does reveal a number of characteristics shared by institutions that receive multiple major gifts. From those characteristics, some major themes emerged that could help organizations in higher education – and, perhaps, throughout the nonprofit sector – assess their own million-dollar readiness and consider what they could do to improve their ability to attract big donations. Following are some key themes that emerged from the study.

IT STARTS AT THE TOP

- Longer presidential tenure is associated with higher numbers of million-dollar-plus donations.
- Case studies suggest that a president's ability to articulate a powerful vision and connect it to donors' motivations will have a profound effect on million-dollar-gift success.

RANKINGS AND AGE MATTER

- It appears that rank – as in an institution's inclusion on "Best Colleges" listings – does influence donors. A national ranking (for the purposes of this study, the U.S. News & World Report "Best Colleges" rankings) in the year 2000 is associated with a 61 percent increase in the number of million-dollar gifts received by a college or university, and a 156 percent increase in the total value of those gifts from 2000 to 2012.
- Institutions founded prior to 1900 received a higher number and greater value of million-dollar donations over the study period compared with institutions founded since 1900. Institutions founded from 1900 to 1950 received about 13 percent fewer million-dollar gifts, and institutions founded since 1950 received 12 percent fewer million-dollar gifts relative to the oldest institutions.

ENROLLMENT AND ALUMNI GIVING PLAY A ROLE

- An increase of 1,000 enrolled students is associated with a 1 percent increase in the number of million-dollar gifts, and with a 2 percent increase in the total value of these gifts.
- The study found a correlation between alumni giving and million-dollar gifts: A 10 percent increase in average alumni giving is associated with a 0.7 percent increase in the number of million-dollar gifts.
- However, case studies show this does not mean that small schools cannot attract major gifts, or that alumni are the sole source of major gifts. Although it has only 2,300 students, DePauw University has attracted a number of million-dollar-plus gifts (seven publicly announced gifts of $1 million or more from 2000 to 2012, according to an analysis based on the Million Dollar List). On the other hand, while Arizona State University has approximately 300,000 alumni worldwide, it reports that a good portion of its million-dollar-plus gifts (the university received 53 gifts of $1 million or more during the study period) comes from people who did not attend the school.

INVEST IN PEOPLE AND REAP REWARDS

- Institutions that invest in more tenured faculty and that spend more on employee expenses are more likely to attract million-dollar contributions.

SOLID FINANCES ATTRACT MORE GIFTS

- Endowment value in 2001 is positively associated with the number of million-dollar gifts received and with the value of those gifts from 2000 to 2012. While the total value of an institution's assets doesn't seem to affect the number of million-dollar-plus gifts received, it is associated with the total value of those gifts.
- While some studies have suggested that government funding "crowds out" private philanthropy, the Million Dollar Ready study suggests this may not be the case. The study found that an institution's 2001 government funding positively corresponds with both the number and total value of million-dollar gifts from 2000 to 2012.

INSTITUTION TYPE HAS AN IMPACT

- Liberal arts institutions, as well as doctoral or research universities, received both more million-dollar gifts as well as higher total values of such gifts from 2000 to 2012.
- The study also noted that Historically Black Colleges and Universities received fewer million-dollar gifts than other institutions during the research period.

LOCATION, LOCATION, LOCATION

- Rural institutions received 11 percent fewer million-dollar gifts compared to non-rural colleges and universities from 2000 to 2012, and schools in the Southern and Western regions of the U.S. fared better than those in the Northeastern region.
- The Million Dollar Ready study reveals a number of factors that could affect the ability of colleges and universities to attract high-level donations. Some factors are statistically significant but have a relatively small practical impact, while others could have a dramatic influence million-dollar gifts. Many factors are difficult to affect, but others present real opportunities for tangible action.

Unfortunately, neither the data nor the case studies offered here present simple solutions that can lead to a quick influx of million-dollar gifts. Nonetheless, by highlighting characteristics associated with million-dollar gifts, the Million Dollar Ready study can provide guidance to colleges and universities willing to take a long-term approach to positioning themselves for transformative contributions, and help institutions benchmark themselves against their peers and identify areas in which they lag behind.

KEY FINDINGS

1. An institution with a president in office since 2000 tended to receive a higher number of million-dollar donations during the study period.

2. An increase in the average board giving is associated with an increase in the number of million-dollar gifts received over the study period.

3. A national ranking (i.e., U.S. News & World Report “Best Colleges” rankings) in the year 2000 is associated with a 61 percent increase in the number of million-dollar gifts received by a college or university, and a 156 percent increase in the value of those gifts.

4. Institutions founded prior to 1900 tend to receive a higher number and total value of million-dollar donations, compared with institutions founded since 1900. Institutions founded from 1900 to 1950 received about 13 percent fewer million-dollar gifts, and institutions founded since 1950 received 12 percent fewer million-dollar gifts relative to old institutions.

5. An institution’s employee expenses (i.e., the amount spent on salaries, benefits, etc.) are positively related to the number of million-dollar gifts received.

6. The percentage of an institution’s faculty with tenure is associated with both the number of million-dollar gifts received by an institution and the total value of those gifts.

7. The value of an institution’s endowment corresponds to both the number of million-dollar gifts received by an institution and the total value of those gifts.

UNCOVERING CHARACTERISTICS OF SUCCESS

The Million Dollar Ready study draws on a unique data set utilizing data from the Million Dollar List as well as from sources such as the IPEDS Data Center, the VSE survey by the Council for Aid to Education, and U.S. News & World Report. While the Million Dollar List data have been analyzed in a number of ways, and many sources offer data about higher education institutions, these resources previously had not been combined to form a data set that allows for an analysis of million-dollar giving to this sector. The new data set provides the opportunity to explore the very highest level of philanthropy to these institutions, and to gain important insights to institutions seeking these gifts.

Our analysis explores two dependent variables: the number of million-dollar-plus gifts received by an institution from 2000 to 2012, and the total aggregated value of those gifts. We include the following independent variables as controls: liberal arts institution, doctoral or research university, and Carnegie Classification. To determine which institutional factors are actually causing the changes in million-dollar giving, we look at how a key indicator in 2000 or 2001 (such as ranking, endowment value, etc.) affects the total number and total value of million-dollar-plus gifts over the entire period 2000 to 2012. In all cases, factors other than those specifically studied were held constant.

Out of the larger Million Dollar List data set, this analysis explores 1,449 higher education institutions that received publicly announced million-dollar-plus gifts between 2000 and 2012. These institutions received a total of 10,501 publicly announced million-dollar-plus gifts worth a combined total of more than $90 billion between 2000 and 2012.

Additionally, the researchers considered the driving forces behind such giving through case studies of three universities that have received million-dollar gifts: Arizona State University, DePauw University, and Massachusetts Institute of Technology.

The data and methodology used in this study place limitations on how the findings should be applied. The study focuses only on publicly announced gifts to higher education institutions of $1 million or more. This means it does not analyze every gift of this size (since not all gifts are announced), and findings may not apply to institutions that receive no or very few gifts of $1 million or more.

ABOUT THE MILLION DOLLAR LIST

The Million Dollar List is a collection of nearly 70,000 publicly announced gifts from U.S. donors to nonprofit recipient organizations around the world. It provides a range of information about these gifts, from where the donors and recipients are located, to the type of donor and recipient organization. Data collection for the original Million Dollar List began in 1963 with the work of Arthur C. Frantzreb, a nationally renowned philanthropy advisor, who kept a record of qualifying gifts for more than 33 years. The Indiana University Lilly Family School of Philanthropy has compiled and maintained the Million Dollar List data set since 2000.

The current Million Dollar List is comprised of data from public announcements from 2000 to the present. FoundationSearch data, which incorporates data from IRS Forms 990, has been added to the Million Dollar List for 2000 through 2010.

For a thorough explanation of methodology and more information about the Million Dollar List, please see Appendix II

THE BIG PICTURE

Philanthropy in higher education is changing rapidly in response to key economic and societal issues. For colleges and universities, donors to these institutions and policy makers, this has increased interest in understanding the role of large gifts in higher education.

Some studies offer promising insights: Large gifts by high-net-worth donors account for a large share of all philanthropic dollars (Havens & Schervish, 2001), and the top 10 percent of donors contribute 93 percent of all private philanthropy to higher education – up from 84 percent a decade ago (CASE, 2011). Analysis of the Million Dollar List indicates that higher education institutions receive million-dollar donations more frequently than other types of nonprofit organizations.

The challenge for most colleges and universities is this: Only about one in every three degree-granting higher education institutions in the U.S. is identified on the Million Dollar List as having received a million-dollar gift between 2000 and 2012.

This is a critical issue because, in these increasingly competitive, post-recession times, when institutions have seen increasing restraints on their resources, million-dollar gifts have the ability to transform institutions and better equip them to deliver on their missions. As an example, Murray (2012) cited the $100 million donation from David H. Koch to the Massachusetts Institute of Technology in 2007, given for the construction of the David H. Koch Institute for Integrative Cancer Research as well as other research projects. Many gifts to higher education also fund scholarships and fellowships, including the Bill and Melinda Gates Foundation's $33.3 million donation to the University of Washington in 2005 to provide scholarships for law students.

Gifts like these not only transform the institution to which they are given and allow it to enhance its services and mission, but they also strengthen an institution's credibility among donors. As such, institutions have worked hard to understand how they can attract such gifts. In the past however, those efforts have focused on the givers and not the recipients. This report seeks to turn that focus around, asking one key question:

What characteristics make a higher education institution more likely to receive a million-dollar gift?

IT STARTS AT THE TOP

When a donor writes a big check, he or she isn't just giving to an institution. That donor is investing in established and generous leadership, judging by the results of the Million Dollar Ready study.

A new president might earn a college or university some headlines, but it's the long-term, established leaders who are more likely to attract big gifts. According to study results, having a president in office since before the year 2000 is associated with receiving about 18 percent more million-dollar gifts than having a president with a shorter tenure.

For this study, institutions were categorized into three groups: long tenure, where the current president has been in office since before the year 2000; medium-length tenure, where the current president was inaugurated between 2000 and 2005; and short tenure, where the current president was inaugurated since 2005. About 13 percent of institutions studied had a president with a long tenure, 19 percent had a president with a medium tenure, and the remaining 68 percent had a president with a short tenure.

But the president isn't the only leader that counts in the effort to attract million-dollar gifts. The board's generosity also has an impact on the total number of million-dollar gifts received by an institution. In fact, judging by the years 2000 through 2012, the study would suggest that a board that doubles its average giving can drive a 5 percent increase in the number of million-dollar gifts received by the institution.

	RELATIONSHIP WITH NUMBER OF $1M+ GIFTS (2000-2012)	RELATIONSHIP WITH VALUE OF $1M+ GIFTS (2000-2012)
Presidential tenure: long (inaugurated before 2000)	Positive	–
Board average giving ($ in 2001)	Positive	N/A

CASE STUDY INSIGHTS: DEPAUW UNIVERSITY'S BOARD LEADS BY EXAMPLE WHEN IT COMES TO MILLION-DOLLAR GIVING. IN FACT, THE MAJORITY OF THE SCHOOL'S LARGEST GIFTS COME FROM BOARD MEMBERS. THE DRIVING FORCE BEHIND THIS GENEROSITY? BOARD MEMBERS CREDIT THE STRONG VISION PUT FORTH BY PRESIDENT BRIAN CASEY.

OUR TAKEAWAY:

A president's tenure relates to his or her ability to form key relationships and communicate a vision – and those characteristics, in turn, help to open doors to million-dollar gifts.

RANKINGS AND AGE MATTER

Those annual "Top Colleges" rankings put out by magazines do more than boost enrollment; judging by results from the Million Dollar Ready study, they also help schools attract major gifts. Combine a top ranking with longevity, and you've got an institution with a double advantage when it comes to attracting million-dollar donations.

	RELATIONSHIP WITH NUMBER OF $1M+ GIFTS (2000-2012)	RELATIONSHIP WITH VALUE OF $1M+ GIFTS (2000-2012)
Ranking (in 2000, ranked or unranked by U.S. News & World Report)	Positive	Positive
Age of institution: old (founded before 1900)	Positive	Positive
Age of institution: medium (founded 1900-1950)	Negative	Negative
Age of institution: young (founded 1950-present)	Negative	–

Using the U.S. News & World Report college and university rankings for the year 2000, the study found that institutions that were ranked among the nation's top colleges and universities not only received more gifts of a million dollars or more, but they also received larger total values of such gifts over the period 2000-2012. According to the study results, ranked institutions received 61 percent more million-dollar gifts, and they saw a 156 percent increase in the total value of those gifts.

In assessing the impact of rankings, the study considered only whether an institution was ranked, and did not take into account the level of the rankings. Overall, about 9 percent of the institutions included in this study were included in the 2000 rankings.

During the period from 2000 to 2012, "old institutions" (founded before 1900) clearly had the advantage, receiving 13 percent more million-dollar gifts than "medium-aged institutions" (founded from 1900 to 1950) and 12 percent more than "young institutions" (founded since 1950). In addition, the total value of such gifts received by old institutions (51 percent of our sample) was found to be 16 percent higher than the gifts received by medium-aged institutions (26 percent of our sample). There is no statistical significance to the relationship between being a young institution (23 percent of our sample) and the total value of the gifts received when compared with old institutions.

OUR TAKEAWAY:

While some higher education observers dismiss national rankings, their impact on million-dollar giving suggests they should be taken seriously.

ENROLLMENT, ALUMNI GIVING PLAY A ROLE

No surprises here: Schools with more students get more donations, the results of the Million Dollar Ready study suggest, and the more a college or university's alumni give, the more likely the school is to attract gifts of a million dollars or more.

When it comes to attracting million-dollar gifts, it's hard to compete with size. An increase of 1,000 enrolled students is associated with a 1 percent increase in the number of million-dollar gifts, and with a 2 percent increase in the total value of these gifts. Using an institution's 2001 enrollment as a base, the study considered the number and value of million-dollar gifts received by that institution from 2000 to 2012.

At the same time, the study found a correlation between alumni giving and million-dollar gifts. Reviewing average alumni giving in 2001 and relating it to the number of million-dollar gifts received by an institution from 2000 through 2012, the study suggests that a 10 percent increase in average alumni giving is associated with a 0.7 percent increase in the number of million-dollar gifts.

	RELATIONSHIP WITH NUMBER OF $1M+ GIFTS (2000-2012)	RELATIONSHIP WITH VALUE OF $1M+ GIFTS (2000-2012)
Number of students enrolled (in 2001)	Positive	Positive
Alumni average giving ($ in 2001)	Positive	N/A

CASE STUDY INSIGHTS: SINCE IT IS THE NATION'S LARGEST PUBLIC COLLEGE, IT'S NO SURPRISE THAT ARIZONA STATE UNIVERSITY IS ABLE TO ATTRACT MULTI-MILLION-DOLLAR GIFTS, BUT THE UNIVERSITY ISN'T RELYING ON SIZE ALONE TO DELIVER MAJOR GIFTS. INSTEAD IT HAS PUT TOGETHER A STRATEGIC APPROACH TO ENGAGING DONORS IN AN EFFORT TO CREATE THE MODEL FOR A NEW AMERICAN UNIVERSITY.

OUR TAKEAWAY:

Schools with bigger enrollments have an advantage when it comes to attracting million-dollar gifts, but institutions of all sizes can improve their million-dollar readiness by increasing alumni giving.

INVEST IN PEOPLE AND REAP REWARDS

Institutions with a higher percentage of tenured faculty and higher employee expenses attract more million-dollar-plus gifts, judging by the results of the Million Dollar Ready study.

Tenure might be seen primarily as a prize earned by top college and university faculty, but the study would suggest that it's also an indicator of an institution's ability to attract major gifts. According to study results, the percentage of an institution's faculty with tenure in 2001 correlates with both the number and total value of million-dollar gifts received by that institution from 2000 to 2012. Specifically, a 10 percent increase in the tenured-faculty percentage is associated with a 0.4 percent increase in the number of million-dollar gifts received by an institution, and with a 1 percent increase in the total value of those gifts.

OUR TAKEAWAY:

The value of investing in people goes beyond the amount invested since those investments are associated with the receipt of more transformative gifts.

But tenure isn't the only investment in people that's associated with major gifts. Employee expenses are also positively associated with both the number and total value of million-dollar gifts received by an institution. According to the study, an increase of $10 million in employee expenses is associated with a 1 percent increase in number of million-dollar gifts received by an institution.

	RELATIONSHIP WITH NUMBER OF $1M+ GIFTS (2000-2012)	RELATIONSHIP WITH VALUE OF $1M+ GIFTS (2000-2012)
Percentage of faculty with tenure (in 2001)	Positive	Positive
Employee expenses ($ in 2001)	Positive	–

CASE STUDY INSIGHTS: NOT ONLY DOES MASSACHUSETTS INSTITUTE OF TECHNOLOGY INVEST IN TOP-NOTCH FACULTY AND STAFF, IT ENCOURAGES DONORS TO CONNECT DIRECTLY WITH THOSE HUMAN ASSETS. THIS INTERACTION LEADS TO LARGE GIFTS, AS DONORS FEEL AN INTIMATE CONNECTION TO THE WORK THE UNIVERSITY IS DOING TO IMPROVE THE WORLD.

SOLID FINANCES ATTRACT MORE GIFTS

Those that have more get more, according to the Million Dollar Ready study, which revealed that bigger endowments, more valuable assets and higher levels of government funding at the beginning of the study period correlate to big gifts over the 13-year study period.

	RELATIONSHIP WITH NUMBER OF $1M+ GIFTS (2000-2012)	RELATIONSHIP WITH VALUE OF $1M+ GIFTS (2000-2012)
Endowment value (2001)	Positive	Positive
Assets (2001)	–	Positive
Government funding (2001)	Positive	Positive

The study found that a 10 percent increase in endowment size is associated with a 0.15 percent increase in the number of million-dollar gifts received, and a 0.35 percent increase in the total value of those gifts. These findings are based on the value of a college or university's endowment in 2001 as it correlates to the number and value of million-dollar gifts received by the institution from 2000 to 2012.

While the total assets of an institution in 2001 do not have a statistically significant relationship with the number of million-dollar gifts the institution received from 2000 to 2012, they do have a positive relationship with the total value of those gifts. The study found that an increase in total assets of $100 million in 2001 is associated with a 1 percent increase in the total value of million-dollar gifts received.

While some studies have suggested that government funding crowds out private philanthropy, the Million Dollar Ready study would suggest that this may not be the case. The study found that an institution's 2001 government funding positively related to both the number and total value of million-dollar gifts from 2000 to 2012. A 10 percent increase in government funding in 2001was associated with a 0.2 percent increase in the number of million-dollar gifts, and a 0.5 percent increase in the total value of those gifts. As a result, instead of "crowding out" funding as some higher education officials have worried, government spending might actually "crowd in" additional philanthropy.

OUR TAKEAWAY:

Everyone knows large endowments and valuable institutional assets are integral to institutions' operations and survival, but their impact extends into the large-gift fundraising arena as well.

INSTITUTION TYPE HAS AN IMPACT

Liberal arts schools and doctoral and research universities tend to receive more million-dollar gifts, according to the Million Dollar Ready study, as do public institutions.

Being a liberal arts institution is associated with a 30 percent increase in the number of million-dollar gifts received by an institution, and a 37 percent increase in the total value of those gifts, according to the study. Liberal arts institutions made up 12 percent of the institutions in the study, which used the Carnegie classification to define institutions as doctoral or research; master's-granting; baccalaureate (liberal arts); other baccalaureate; associates; and other institutions.

Doctoral and research universities, which made up 19 percent of the institutions in the sample, also tended to receive more million-dollar gifts, and higher total values of those gifts, the study found. Specifically, doctoral or research universities were shown to receive 76 percent more million-dollar gifts, and to attract 214 percent more in the total value of those gifts compared to other institutions over the study period.

The study also considered whether a college or university is public or private not-for-profit, and found that public institutions tend to receive more million-dollar gifts, but those gifts might be smaller. Specifically, public institutions in the study saw a 13 percent increase in the number of million-dollar gifts and a 51 percent decrease in the total value of those gifts over the study period. (Private not-for-profit institutions made up 57 percent of the institutions in the study, with the remaining 43 percent being public institutions.)

Finally, the study looked at Historically Black Colleges and Universities (which made up 3 percent of the studied institutions) and found that being an historically black college or university was associated with a 20 percent decrease in the number of million-dollar donations and a 45 percent decrease in their total value compared to other institutions from 2000 to 2012).

CARNEGIE CLASSIFICATION	RELATIONSHIP WITH NUMBER OF $1M+ GIFTS (2000-2012)	RELATIONSHIP WITH VALUE OF $1M+ GIFTS (2000-2012)
Liberal arts	Positive	Positive
Doctoral or research university	Positive	Positive
Control of institution: public	Positive	Negative
Historically Black Colleges and Universities	Negative	Negative

CASE STUDY INSIGHTS: WHILE CLASSIFICATION MIGHT SEEM LIKE A FACTOR THAT WOULD BE DIFFICULT TO CHANGE, IT IS POSSIBLE TO MOVE FROM ONE CARNEGIE CLASSIFICATION TO ANOTHER. FOR EXAMPLE, ASU MOVED UP TO A TOP RESEARCH UNIVERSITY STATUS IN A RELATIVELY SHORT AMOUNT OF TIME.

OUR TAKEAWAY:

Public institutions tend to attract more million-dollar contributions than private schools, but the private schools tend to attract bigger gifts.

LOCATION, LOCATION, LOCATION

Where an institution is located can have a profound impact on million-dollar contributions, as big-ticket donors show a preference for non-rural institutions and for those in certain areas of country, according to results from the Million Dollar Ready study.

A location in a pastoral country setting might appeal to some prospective students, but it doesn't attract big gifts, judging by the study, which showed rural colleges and universities receiving 11 percent fewer million-dollar gifts compared to non-rural institutions from 2000 to 2012. But the bad news for those schools gets worse: Even when those institutions do receive million-dollar gifts, the total values of those gifts were about 26 percent lower than for non-rural institutions. (Rural institutions accounted for 19 percent of our sample of institutions.)

	RELATIONSHIP WITH NUMBER OF $1M+ GIFTS (2000-2012)	RELATIONSHIP WITH VALUE OF $1M+ GIFTS (2000-2012)
Rural	Positive	Negative
Region: Midwest	Positive	Positive
Region: South	Positive	Positive
Region: West	Positive	Positive

On the other hand, being located in certain regions of the country can positively affect major gifts. Comparing the Northeast with all other regions, the study found that higher education institutions in the South and West regions of the U.S. receive more million-dollar gifts, and those gifts carry higher total values. Specifically, being located in the Western region is associated with a 27 percent increase in the number of million-dollar gifts received by an institution, and with a 70 percent increase in the total value of those gifts over the study period. Being located in the Southern region correlates with a 24 percent increase in the number of million-dollar gifts and with a 43 percent increase in the total value of those gifts.

OUR TAKEAWAY:

Being a rural institution creates challenges in pursuing big gifts, but being located in the Midwest, South or West could help to offset that challenge.

ARIZONA STATE UNIVERSITY

TRANSFORMATIONAL GIVING: AN INVESTMENT IN VISIONARY SOLUTIONS AND ACCESS TO EDUCATION

It should come as no surprise that Arizona State University is able to attract multi-million-dollar gifts. After all, it is the nation's largest public university.

What might be surprising is that members of the university community say the institution's size is not the primary reason it received 52 million-dollar-plus gifts totaling $882 million over the last decade. Instead, they point to ASU's ability to connect donors to the university's vision.

With more than 72,000 students and 300,000 alumni worldwide, ASU has an undeniably broad donor base; with a number of recognized academic programs, it also offers donors plenty of opportunities to find an area of interest to support. Nonetheless, the institution's leaders, donors and development officers agree that the biggest factor in ASU's successful big-gift efforts has been the concerted effort to engage donors in President Michael Crow's ambitious vision.

"Ambitious" fits Crow's vision. Under his leadership, ASU has declared its intention to create the model for a "New American University" committed to excellence and access to education. But this is more than sloganeering: The strategic plan behind that vision informs virtually every activity at the university, from the reorganization of academic departments to the refocusing of the ASU Foundation's mission.

That last point cannot be overemphasized. The foundation's full name is now "The ASU Foundation for a New American University," and it describes itself as "a private, nonprofit organization that raises and invests private contributions to Arizona State University, a New American University, while advocating for and advancing this transformative university mission and brand." Officials say this shift helps ASU attract the "activist philanthropist" who wants to design programs and engage in hands-on giving.

STUDENTS FIRST, STEWARDSHIP ALWAYS

Jim and Jo-Ann Armstrong offer prime examples of the activist philanthropist. In 2007, the Armstrongs endowed their scholarship with a gift of $4 million, and they supplement the endowment's earnings on a yearly basis to support 30 students per year. Wanting to create positive change in the lives of students who are in foster care, orphaned or otherwise independent at the time of entering college, the Armstrongs not only provide financial assistance, but also participate directly in the lives of the students they assist. Each month they meet with the students, and each year they host an annual kick-off dinner at their home and take the students on a trip to Mexico to build homes and feed the hungry.

"We chose to endow our family's scholarship at the ASU Foundation because of the intersection of the university's vision with our own philanthropic priorities," Jim says. "We have continued the scholarship program at ASU because of the people at the university who provide excellent administration and stewardship of our program and always put the needs of the students first."

COMMITMENT TO ACCESS AND EXCELLENCE

Arizona State's drive to put the needs of the students first prompted Leo and Annette Beus to invest $1 million to create the Beus Family New American University Scholarship at the ASU Foundation. Impressed by President Crow's commitment to students and the way that commitment permeates the university and foundation, Leo and Annette Beus were driven by their deep beliefs to support the university – even though neither is an ASU alum.

"My wife and I believe that the President has created a terrific environment for talented students from the Church of Jesus Christ of Latter-Day Saints to thrive, which is very important to us," says Leo, who, along with his wife, is among the donors contributing the 80 percent of philanthropic funds received from non-alumni.

Like the Armstrongs, the Beuses also interact regularly with students on campus and have personally experienced the President's responsiveness when it comes to issues that impact the students. "The President has transformed the university over the past decade and has a refreshingly strong commitment to the students," Leo explains.

A COMPELLING VISION, A CLEAR NEED

As an alumnus who serves as the long-time chair of the ASU Foundation, Craig Weatherup has obvious ties to the university. As someone the school gave a chance when he was a student from a humble background with "not the best grades," he has understandable affection for the institution. But what really inspired Craig and his wife, Connie, to make several multi-million-dollar gifts to ASU is President Crow's vision of student access and academic excellence.

This point comes through clearly when Craig Weatherup discusses the couple's $5 million commitment to Intercollegiate Athletics and their recent commitment to ASU's partnership with the Mayo Medical School. "We would not have made these types of gifts to ASU solely based on my affinity as an alumnus," he says. "My wife and I have made these philanthropic investments because of the President's compelling vision and articulation of a clear need to make the vision a reality."

Putting on his Foundation-chair hat, Craig adds that he believes ASU has in place the elements necessary for success: the President's vision, the Foundation's ability to articulate that vision, and its ability to provide the stewardship and administration that donors expect.

REORGANIZED FOR SUCCESS

To attract and support the type of engaged philanthropy represented by these donors, the ASU Foundation has reorganized itself under the leadership of Rick Shangraw, Jr., who has led the Foundation beyond the affinity giving of alumni to connect with philanthropic interests. To this end, he created a "solutions group" within the Foundation, charging its 12 members with collaborating across university departments to create written documentation about ASU-created solutions that offer funding opportunities for donors. So far, this level of investment in solutions has focused on the million-dollar donor and above; however, the Foundation plans to launch a crowd-funding site in the next year that will inspire a broader base of donors to invest in change via ASU.

In addition to the president's vision and the infrastructure ASU has created around pursuing million-dollar gifts, it has one other key factor working to its advantage: an attitude that it will attract those gifts rather than a hope that it might. That, as much as the other factors cited here, seems to be leading to its transformative success.

DEPAUW UNIVERSITY

A LEGACY OF ALUMNI GIVING ENHANCED BY LEADERSHIP AND VISION

For DePauw University, the secret to attracting multiple multi-million-dollar gifts really isn't a secret at all. It's just that the 2,300-student university in Greencastle, Ind., seems to do extremely well the things all institutions strive to do: Create meaningful and lasting relationships with alumni, and embrace the vision of long-standing leaders.

One of US News & World Report's Top 100 National Liberal Arts Colleges, DePauw has about 30,000 alumni and a track record of fundraising success that includes a $375 million campaign in the late 1990s. The school is currently in the quiet phase of a major comprehensive campaign. As they prepared for this campaign, DePauw President Dr. Brian Casey, Vice President for Development and Alumni Engagement Melanie Norton, and key donors of between $1.5 million and $25 million talked about the factors that help to explain DePauw's high levels of donor loyalty and engagement. They identified four key characteristics: a great undergraduate experience, steady leadership, a generous Board of Trustees and personal connections to the university's vision.

A GREAT UNDERGRADUATE EXPERIENCE

At DePauw, it seems many donors are driven to give by their own social and academic undergraduate experiences that led to lifelong relationships (including several donors who met their spouses at DePauw) and, in some cases, to multigenerational relationships and connections. As former development campaign chair and Board Chair Tim Ubben says, "Others would claim the same [connections], but DePauw 'has it in spades.'"

Current Board Chair Sarah Wallace adds, "My relationship resembles the intricate branches of a large tree: My brother, husband, daughter, sons and some of their spouses have all experienced a DePauw education." Adding to these relationship connections are memories of specific programs. The longstanding Rector Scholars program is one frequently cited as having provided an opportunity for excellent students to enroll at DePauw who otherwise would not have been able to. The impact of this program leaves some alumni with a sense of joyful obligation to make DePauw an option to future students.

STEADY LEADERSHIP

When DePauw inaugurated Dr. Casey as its new president in 2008, the event marked the first presidential inauguration the school had held in 22 years. Now, just five years later, President Casey has earned respect throughout the university community by communicating a clear and ambitious vision for the future – and gathering a number of major gifts.

A key to this success seems to be that he has built on a powerful legacy and complemented it with his own vision and abilities. President Casey's predecessor, Dr. Robert Bottoms, had a strong track record of major-gift solicitation, and in a relatively short tenure, President Casey has secured a number of seven-figure gifts in his own right.

President Casey believes a key to his success is DePauw 2020: The Plan for DePauw, which emerged from a period of strategic planning and which outlines the university's vision for the future along with a series of specific strategic initiatives. The Plan for DePauw, President Casey says, "articulated an ambitious vision for DePauw that contained several well-developed initiatives in which donors could invest." He adds that donors have "responded to the vision and ambition for the university as well as the knowledge that their specific gift would make DePauw a better place."

Members of the Board of Trustees say President Casey's ability to communicate with donors has served as a powerful deal closer. "Brian is a 30,000-foot, big-idea guy who listens well and talks with donors about what they want DePauw to be," Board Chair Sarah Wallace's says. Past Board Chair Dave Hoover adds, "Brian has helped us envision a future that is different and better for DePauw."

GENEROUS LEADERSHIP

In addition to providing leadership, DePauw's Board of Trustees has proven to be an excellent breeding ground for most of its largest gifts. Board members describe a profound level of engagement, and they credit President Casey with enabling that engagement through direct, intense and prolonged interaction with staff, faculty and students. This has resulted in a strong bond among board members that in turn has led to an investment mentality in giving. Judson Green, longtime trustee and donor, spoke of his experience on the board as "an opportunity to meet very interesting people, to develop lifelong relationships, and create an affinity with people beyond my classmates and fraternity brothers.

"It's been very gratifying," Green adds. "It has taken me from a neutral position to a strong positive position."

PERSONAL CONNECTIONS

Simply put, DePauw makes it personal by successfully connecting donors' personal interests with institutional need – and delivering results. Million-dollar donors indicated they made their giving decisions based on direct involvement in specific projects and with those spearheading the projects. In all cases there was an intersection between the donor and the president, a dean, a faculty member or student, and the vision for a program or project.

"It was a personal decision for us to make our most recent gift of $15 million to DePauw's School of Music," donor Judson Green says. "The Dean had a vision for what the Music School could be, he exhibited the right leadership, and he developed the right plan with innovative initiatives that we found compelling. Some gifts break down in execution, but we expect to see results. DePauw has already surpassed our expectations in execution."

Tim Ubben believes in giving to organizations that have strong leaders, are mission-focused on young people, and are well run. In recently committing $20 million to student scholarships on top of a previous gift of 15 endowed professorships, he notes: "the intense pleasure is in meeting the people – the students and faculty who receive the scholarships and serve in the endowed professor positions."

DINING HALL SHOWS DEPAUW'S STRENGTHS AT WORK

A new dining hall and student center offers a shining example of how these many forces come together to attract large gifts. For Sarah Wallace, who made a $1.5 million gift, the catalyst for giving was a combination of the new president, a firm belief in the vision and aspiration of the university, and the opportunity to partner with a fellow trustee to achieve a new campus gathering spot for faculty.

Dave Hoover was impressed by the vision Dr. Casey put forth. He recalls that the president saw the new dining hall and center for student engagement as the center of campus life. "This struck a chord with us," Hoover says. "The construction costs started out at $12 million ended up at $16. We decided to give $25 million; the rest went to scholarships. These are life decisions. Our gift is a part of changing the whole place."

ADVANCEMENT TEAM AT WORK

Of course, no campaign reaches its goal without the work of an Advancement staff – even if donors seldom see all the working parts. At DePauw, Advancement's role is often behind the scenes, and donors are frequently unaware of what the Advancement staff have done to identify and groom donors. Not surprisingly, all million-dollar donors began their giving to DePauw[3] as annual fund donors, and they initiated their volunteer relationship through membership on the alumni board, an advisory council, or other role, some more than 25 years ago. All were initially identified, nurtured, and referred along to senior leadership by someone in Advancement. The staff continues to drive strong annual giving and planned giving programs, but top-level donors are personally stewarded by the President.

These factors have made DePauw's a remarkable success story, but, according to the people interviewed for this case study, the school's strongest fundraising years lie in the future. The university has significant untapped potential for generosity among its alumni population, they say, and, therefore, opportunities for further transformative change.

MASSACHUSETTS INSTITUTE OF TECHNOLOGY

A CULTURE OF GIVING AND ENGAGEMENT

A lot of institutions that rely heavily on corporate, foundation and government support talk about broadening their base to include more individual donors. The Massachusetts Institute of Technology showed how it can be done, with remarkable results.

For many decades, MIT had been a leader in significant gifts and grants from corporations, foundations and government. In the early 1990s, it began to see an increase in the number of gifts from individuals – both alumni and non-alumni – and since 2000, it has received more than 191 gifts of one million dollars or more, including a $350 million gift (MIT's largest gift ever) from Patrick J. and Lore Harp McGovern.

It doesn't hurt that MIT has an expansive reach, with nearly 130,000 alumni spread across the globe. However, the school also makes the most of its human resources, working through its faculty, staff and 32 Visiting Committees to engage with alumni and non-alumni in areas in which they have a passion. "You can cultivate people at a 'show and tell' level, but if you engage them deeply in the mission, they become motivated themselves to invest, because they understand it and feel a part of it," explains Jeff Newton, Vice President for Resource Development at MIT.

MIT's strategy has deep roots. Beginning in the late 1980s and early 1990s, President Charles Vest and Advancement leadership reimagined the role for philanthropy in advancing the mission of MIT. As a result of that process, philanthropy emerged as a source not only of continued support but also a way of engaging more people in the life and work of MIT. At the same time, the world was changing the way it viewed science and technology, seeing it more and more as a vehicle for solving world problems. MIT was perfectly positioned to leverage this shift, as its research and innovative thinking became highly attractive to alumni as well as non-alumni who were passionate about finding new answers and possibilities.

"We began to talk about investing in science and technology in new ways," explains former Vice President Barbara Stowe. "This was a 'crestable wave' to be ridden. We turned making a gift to MIT into a way to address big societal issues – brain sciences, poverty alleviation, energy and environment."

Those 32 Visiting Committees also have a deep legacy. Introduced in 1875, they have become a reliable catalyst for involving prospects in the life of the institute. Operating as advisory groups to the Corporation and administration and comprised of distinguished professionals, including scientists, engineers, entrepreneurs, executives, and educators – alumni and non-alumni – the Visiting Committees provide valuable counsel on current activities and future directions. The Visiting Committees often meet with faculty, deans and others, and the Academic Council meets weekly with all deans, vice presidents and the president. As a result, internal communication is strong and effective.

Around this powerful infrastructure, MIT has implemented a three-part strategy for engaging individuals to become more involved in giving to the institution.

EMBRACE MERITOCRACY

An institution where some 20 percent of students are the first in their families to attend college, MIT is characterized broadly as a meritocracy, and its donors embrace that idea. "We have world-class, proven talent on our faculty, people who are Nobel laureates and the focus is not on what they have done but what they are doing now," says Mark Gorenberg, who graduated in 1976 and has made several significant gifts – both for facilities and for Centers of Excellence within MIT. "This creates a sense of accessibility and partnership for members of the various Visiting Committees."

ARTICULATE THE VISION

MIT has engaged its faculty and staff as strong and effective advocates for support of the school by clearly articulating what it wishes to do in philanthropy. “Faculty embraced the Campaign for Students with great passion,” states Vice President Newton, noting that faculty have commended the description of MIT’s goals for the past two campaigns as not only persuasive and compelling but also as highly accurate and meaningful celebrations of the work of the school and its people. This consonance between what is thought internally and what is stated externally has created powerful and dynamic opportunities for sharing between those on and off campus. The Advancement staff encourages direct communication between faculty and donors – both alumni and non-alumni – and donors believe that close and unfettered interaction makes someone considering a gift much more likely to make significant gifts. Prospective donors meet with faculty about their research and hear from those faculty about the possibilities created by that research. Furthermore, staff and donors both cite the authenticity in MIT’s descriptions of its advancement goals and the way people can interact as an essential to MIT’s Advancement success.

INVEST IN MAKING IT PERSONAL

Finally, MIT has pursued a deliberate strategy of engaging more top donors at a personal level through the work of Principal Gift Officers. MIT grew this group of staff from just two to 15 officers over a four-year period, allowing these officers to work closely with donors and helping to ensure that generous donors have regular and meaningful interaction with the president and others. This process opened the door to more close relationships with the president and others on campus, increasing communication and interaction among current prospective donors, and it has proven to be highly effective.

A final piece of the fundraising success puzzle for MIT has been the two decades of remarkable continuity of approach in development leadership. Former Vice President Barbara Stowe and current Vice President Jeff Newton are each quick to credit the other for superb work and leadership, and some say this cohesiveness plays a definitive role in MIT’s growth.

CASE STUDY THEMES

The ways the three institutions featured in our case studies pursue million-dollar gifts differ profoundly. For example, the massive and public Arizona State University has attracted a large percentage of non-alumni donors, while the much smaller private liberal arts school DePauw University draws heavily from the generosity of its alumni and board. Finally, MIT, with its worldwide reputation of quality in science and technology education, attracts donors who want to address particular causes. Through these different approaches, we have an opportunity to glimpse the range of intangible, qualitative predictors of million-dollar gifts.

As different as these institutions' fundraising stories are, however, they do share common themes that could be instructive for others.

IT BEGINS WITH A GREAT STUDENT EXPERIENCE.

Each of the case studies shows that the student experience is a major reason why donors give. At DePauw University, which relies heavily on the generosity of alumni, interviewees consistently described how social clubs and other activities enhanced their student experience and sparked their love for the institution – and said they contribute so that current students can experience those same benefits. MIT has worked purposefully to improve the student experience, and has leveraged the desire among alumni for future students to have the same kind of great experiences they enjoyed. Even at ASU, where many major donors are not alumni, a large portion of donors give to enhance the student experience through funding scholarship programs and student services.

THE PRESIDENT PLAYS A KEY ROLE.

Nearly every interviewee for each case study mentioned the university president as a major factor in million-dollar gift attraction. ASU offers a great example of a school where donors consistently cite the president's vision as an inspiration for giving. In fact, when ASU president Michael Crow developed a new theme for the university, it was embraced throughout the university, and its foundation and donors signed on to Dr. Crow's vision for a New American University. An additional point merits consideration: At institutions that are successful in attracting million-dollar gifts, the president's leadership and his or her ability to build relationships with donors must be separate from and complemented by a clear and aspirational vision that donors want to support.

FOUNDATIONS, BOARDS AND FACULTY MEMBERS MUST BE ENGAGED.

The institutions profiled also cited the importance of university foundations, boards and faculty in helping to attract million-dollar donations. At ASU, for example, donors appreciated that Foundation and development representatives can explain how a gift will fit into the university vision, and that the Foundation makes it easy for donors to give large gifts. DePauw University believes the Board of Trustees should lead the way with regard to philanthropy, and it has received most of its million-dollar-plus gifts from board members. In addition, board members are engaged in the development process and approach others about giving to the university. At MIT, interviewees cited the structure of the MIT Corporation and the Visiting Committees as a major factor in the school's attraction of million-dollar gifts. MIT faculty are considered a key factor in the school's success in engaging high-level donors, and they have been empowered by Visiting Committees. This direct access is critical to the faculty's ability to engage with alumni and other donors.

IMPLICATIONS

The Million Dollar Ready Report suggests a number of implications for higher education institutions to consider as they work to strengthen their ability to attract million-dollar donations.

ARTICULATE A STRONG VISION AND DONORS WILL WANT TO BE A PART OF IT.

Transformational philanthropy requires a transformational vision, and that vision must be articulated in a way that allows donors to see how students' lives will be changed. The research suggests that the president and trustees should be chief communicators of this vision, working in strong partnership with advancement-office leadership. While alumni certainly can play a role in transformational philanthropy, institutions cannot rely on alumni loyalty alone, but, instead, must invest in the visionary leadership and implementation that will improve students' lives and the world.

INVEST IN EXCELLENCE AND DONORS WILL INVEST IN YOU.

As powerful as a strong vision is, it must be partnered by institutional excellence. One way to communicate excellence is through rankings, which not only can point to institutional quality but also endorse the vision of the institution. Complement this institutional excellence and vision with high-quality teaching and learning and you can paint the picture of a world that is improved through the institution's work and students.

EXPECT YOUR BOARD TO SET THE EXAMPLE AND THEY WILL INSPIRE GIVING.

Board members must embrace their role as philanthropic leaders by giving generously themselves. This not only provides outright philanthropic support, but it also inspires others to invest at a transformational level.

ENGAGE ALUMNI TO BUILD A PROMISING FUTURE.

The good news is that increased alumni giving leads to an increased number of million-dollar gifts. The bad news is that alumni giving has been on a steep decline. A review of the past 40 years shows that alumni giving to all colleges and universities peaked in 1990 at approximately 18 percent; since then, it has dropped to a low of 9.2 percent in 2012 (CAE, 2013). Institutions must re-engage alumni and engage them in the story of higher education's impact so that young alumni look past the "consumer debt" mentality of recent graduates and see the value of a gift of support.

CONCLUSIONS

As was said before, million-dollar gifts can be transformative. As such, institutions have worked hard to understand their donors and what compels them to give generously. This report, though, took a different tack, and examined data about the institutions themselves, working to capture the characteristics that make an institution "Million Dollar Ready."

The study results reveal a number of factors that can affect the ability of colleges and universities to attract high-level donations. While some of these factors are statistically significant but have a relatively small practical impact, others can have dramatic influence on million-dollar gifts and their value.

Obviously some of these factors are hard to address: An institution isn't likely to change its location in order to improve its chances of attracting million-dollar donations, for example, and there's nothing a school can do to increase its age any more rapidly than one year at a time.

On the other hand, some factors – for example, a president's ability to articulate a vision and connect with donors, a board's willingness to give generously, or an institution's use of resources – can be addressed proactively.

At the same time that institutions consider the meaning of the data presented here, they also should consider the examples set forth by the included case studies. While those case studies represent a very small sample of the studied institutions, they serve two very powerful purposes: They underscore and better define some of the research findings, and they also suggest that no single characteristic will dictate an institution's ability to attract million-dollar gifts.

For example, while the data clearly show that larger institutions are more likely to attract million-dollar-plus gifts, the DePauw University case study showed that an institution with only 2,300 students can attract a number of million-dollar-plus donations. Furthermore, while the data show that large alumni bases correlate with large gifts, Massachusetts Institute of Technology draws a good portion of its multi-million-dollar giving from people who did not attend the school.

We offer no simple solutions here, but the Million Dollar Ready study does highlight those characteristics associated with attracting million-dollar gifts and, as a result, could provide guidance to institutions who seek such transforming contributions. Colleges and universities across the U.S. can use these results to benchmark themselves against their peers, and determine any areas in which they may be lagging behind.

AREAS FOR FURTHER RESEARCH

While this study has explored major questions surrounding million-dollar giving to higher education, it also highlighted some areas that should be researched further. These include:

PRESIDENTIAL TENURE.

The Million Dollar Ready research found a clear connection between longer-tenured presidents and successful major gift fundraising, and the case studies complemented those findings by showing that presidents can inspire generous gifts by building relationships and communicating a transformative vision. The research does not test specific presidential characteristics or evaluate the types of relationships that these presidents developed during their tenure. Therefore, future research could evaluate these presidential issues, and could also delve deeper into the roles played by other key relationship builders in the college and university system (e.g., vice presidents, deans, key advancement staff).

In addition, anecdotal research suggests that colleges and universities undergoing presidential transitions fare better when they have developed multi-layered relationships with donors beyond the president. Additional research could evaluate the impact of vice presidential tenure and administrative-team continuity on donor behavior, as well as the size of the institution's advancement team and their relationships.

QUALITATIVE DIFFERENCES IN THE UNDERGRADUATE EXPERIENCE.

Several findings from the current research suggest that institutions with more resources to invest in improving the experiences of current students (i.e., larger endowments, higher asset levels) can improve their likelihood of receiving future large gifts. Additionally, the research shows that factors likely to affect the student experience (i.e., percentage of tenured faculty and staff expenses) influenced institutions' ability to attract these types of gifts.

Although the assumptions surrounding these findings may be sound, future research could explore how and what types of investments in the student experience could unlock additional insights and assist institutional decision-making. Additionally, future research could evaluate other, more direct student outcomes like retention rates, graduation rates, or career placement.

ALUMNI AND NON-ALUMNI GIVING.

Alumni giving is known to be a clear driver of overall fundraising success in higher education; however, it is impossible to ignore the large number of major gifts given by non-alumni. Like most research in the field, this research probed more deeply into the giving behaviors of alumni than it did for non-alumni. Future research examining the motivations of non-alumni donors could add important insights into this dynamic.

OTHER SECTORS.

This research was limited to the charitable subsector of higher education. Certain findings from this study may be applicable to other subsectors and the nonprofit sector generally (leadership continuity, board giving, the impact of endowment), but additional analysis specifically focused on these other subsectors is needed to support these assumptions with data.

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The Indiana University Lilly Family School of Philanthropy is dedicated to improving philanthropy by educating and empowering students, professionals and volunteers to be innovators and leaders who create positive and lasting change in the world. The first of its kind in the world, the School offers a comprehensive approach to philanthropy — voluntary action for the public good — through its academic, research and international programs and through The Fund Raising School, Women's Philanthropy Institute and Lake Institute on Faith & Giving. Learn more at www.philanthropy.iupui.edu.

"IMPROVING PHILANTHROPY TO IMPROVE THE WORLD"

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APPENDIX I: PREVIOUS RESEARCH

Examining major gifts is more important than ever for higher education institutions, as the top donors contribute the largest portion of philanthropy to these institutions. According to the CASE Campaign Report (2011), the top 10 percent of donors contributed 93 percent of all private philanthropy to higher education – up from 84 percent in 2000. While fundraising has existed in American higher education for hundreds of years, private donations play an increasingly important role for these institutions (Brittingham & Pezzullo, 1990). Giving USA 2012 indicates that educational organizations received nearly $39 billion in 2011, the largest percentage of charitable dollars apart from giving to religion. Higher education institutions received the bulk of that philanthropy, over $30 billion (Giving USA, 2012). In the higher education subsector, major gifts comprise a fairly high percentage of total private gifts, and most large gifts are given to a small percentage of institutions (Cook, 1997). One study of gifts of $10 million or more between 1995 and 2000 found that the majority of those gifts were concentrated in higher education. Colleges and universities received 56 percent of the gifts studied (Tobin, Solomon, & Karp, 2003). Gifts to key areas of higher education are also becoming increasingly prominent. For example, Murray (2012) describes the major role of philanthropy in university research on science, engineering and medicine, finding that science philanthropy provides nearly 30 percent of research funds to leading universities. In short, while million-dollar gifts and other major donations are relatively rare, there is an enormous payoff that can serve to enhance institutions by enabling them to conduct more research, offer more scholarships, and build a larger endowment.

Historically, higher education institutions were connected to churches and other religious organizations. Fundraising took a form similar to traditional charity or giving through churches; this meant that most institutions bringing in fundraising dollars were private colleges and universities (Brittingham & Pezzullo, 1990). Today, more public colleges and universities are receiving a larger amount of their operating budgets from private giving, but private universities still receive the bulk of the donations. Sixty-five percent of gifts and 69 percent of the dollars to higher education in Tobin et al.'s research on $10 million-plus gifts went to private institutions (2003). That study found that donor motivations include "giving back" to the institution as an alumni donor; seeking status or prestige; and perpetuating the university's endowment.

Strickland (2007) explored the motivations of donors to higher education, and found that contemporary donors are more interested in cultivating change and having a transformative impact on institutions to which they donate. These donors value trustworthiness and accountability in the institutions and their representatives. They also value programs that can demonstrate outcomes rather than just building up an institution's endowment. These ideas are explored in our research as we examine transformative major donors and the values they seek in a university gift recipient.

Silberg (1990) studied million-dollar-plus giving to educational institutions, and found that regardless of their socio-economic backgrounds, these donors tend to have similar experiences of being taught by their families about philanthropy. Silberg suggested that because these donors have been taught about philanthropy, they are more likely to make large planned contributions when they develop the financial capacity to do so. Mount (1996) further developed a model to predict the types of donors to education. Major donors to higher education are more likely to fund general, collective educational services to support the enduring goals of the institution – as opposed to scholarships and other financial needs.

A number of studies have also looked at how the economy impacts donations to higher education. For example, Brown et al. (2012) found that when donors have more economic resources (i.e. their income and house values are rising), they tend to give more. The reverse is true during an economic downturn; however, during such a downturn, donations earmarked for current use tend to increase, so these trends partially offset each other.

Cook (1994) explored the role of university presidents and chancellors as fundraisers for higher education institutions, and finds that fundraising is a team effort between all of the executives of an institution and the development or institutional advancement staff. Further, the president of the institution is the central player on the fundraising team. The academic quality and institutional prestige of an institution are critically important to success in fundraising. Finally, fundraising is institution- and context-specific. Differences in institutional culture, history, maturity, alumni body, prestige, and community support will all impact the way in which institutions fundraise and the success they see from their efforts.

A survey of the literature has explored why donors give large gifts, why donors give to higher education, factors that predict giving to higher education, and fundraising strategies for these institutions. Previous studies have examined high net worth giving to higher education, but these studies tend to use relatively small data sets or purely qualitative (i.e. interview-based) research. There is a noticeable gap in the literature on predictors of million-dollar giving to higher education institutions – which we address in this study.

APPENDIX II: METHODOLOGY AND DATA

In this study, the Indiana University Lilly Family School of Philanthropy conducted two phases of research to understand why certain colleges and universities attract repeated million-dollar gifts. In the first phase, we analyzed the School's Million Dollar List database, combined with other data sources to provide information about institutions receiving such gifts. In the second phase, Johnson, Grossnickle and Associates conducted interviews to form case studies of three universities that have had significant success in attracting million-dollar gifts.

During our first phase of research, the School compiled a unique and previously unavailable data set using a number of sources. Information about higher education institutions receiving million-dollar gifts – as well as the number of these gifts and the total value received – came from the Million Dollar List database. We examined higher education institutions that had received at least one publicly announced gift worth $1 million or more over calendar years 2000 to 2012. After data cleaning, we determined that 1,449 institutions qualified for inclusion in our data set. In all cases, factors other than those specifically studied were held constant.

In addition to the Million Dollar List, sources for the unique project data set include the IPEDS Data Center (Integrated Postsecondary Education Data System) of the Institute of Education Sciences National Center for Education Statistics, the Voluntary Support of Education (VSE) survey by the Council for Aid to Education (CAE), U.S. News & World Report, and the websites of each institution in our sample.

Our analysis explores two dependent variables: the number of million-dollar-plus gifts received by an institution from 2000 to 2012, and the total aggregated value of those gifts. Dependent and independent variables are further described in Appendix III, Tables 1 and 2, and additional variables are defined in Tables 3-5. Independent variables were developed from our review of the literature, as well as from discussions with JGA higher education experts.

For the data analysis, we use a baseline model of median regression (Appendix III, Tables 6-8), since the number and value of million-dollar gifts is not normally distributed. We use Ordinary Least Squares (Appendix III, Tables 9-11) and Poisson models (Appendix III, Tables 12 and 13) as robustness checks.

Statistical controls were analyzed for all results detailed in the text, specifically by Carnegie Classification. Other controls analyzed include controls for liberal arts and doctoral/research institutions. If controls other than Carnegie Classification were used, those instances are noted in the text. All findings are significant the 0.1 level or lower unless otherwise noted; this means we are at least 90 percent sure that the results are not due to chance. In our discussion of the meaning of each variable, we often indicate that results are accurate "holding other factors constant". This means that we know a certain variable impacts million-dollar giving to higher education, even after we take into account other factors that we know affect this million-dollar giving. Please see the statistical tables in Appendix III for specific coefficients and levels of significance.

JGA senior consultants conducted all case study interviews, and the School assisted by creating an interview protocol and recommending ideal institutions to study. Organizations on the list were carefully selected to ensure an appropriate variation in the organization's size, geographic region, and share of major gift revenue in the organization's overall revenue, among other considerations. Final determinations of case studies were made based on the responsiveness and availability of contacted universities and their donors. Interviewers used the Vice President for Advancement (or a person in a similar role) as a principal point of contact, and interviewed this individual as well as the institution's board member(s), and a million-dollar donor(s) at each institution.

ABOUT THE MILLION DOLLAR LIST

The Million Dollar List is a collection of nearly 70,000 publicly announced gifts from U.S. donors to nonprofit recipient organizations around the world. It provides a range of information about these gifts, from where the donors and recipients are located, to the type of donor and recipient organization. Data collection for the original Million Dollar List began in 1963 with the work of Arthur C. Frantzreb, a nationally renowned philanthropy advisor, who kept a record of qualifying gifts for more than 33 years. It was Arthur Frantzreb's work that inspired the School of Philanthropy to undertake the continued compilation and study of million-dollar donations. The Million Dollar List data set has been compiled and maintained by the Indiana University Lilly Family School of Philanthropy since 2000.

The current Million Dollar List is comprised of data from public announcements from 2000 to the present. FoundationSearch data, which incorporates data from IRS Forms 990, has been added to the Million Dollar List for 2000 through 2010.

Out of the larger Million Dollar List data set, this analysis explores 1,449 higher education institutions which received publicly announced million-dollar-plus gifts between 2000 and 2012. These institutions received a total of 10,501 publicly announced million-dollar-plus gifts worth a combined total of more than $90 billion between 2000 and 2012. The average (mean) number of million-dollar gifts received by an institution in the sample from 2000 to 2012 was 7.25, and the average total value of those gifts was nearly $63 million.

APPENDIX III: REFERENCES

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APPENDIX IV: STATISTICAL TABLES

Descriptive Statistics

Table 1: Dependent variables (total number and dollar amount of publicly announced Million Dollar List gifts to all higher educational institutions, 2000-2012)

Variable	# of Institutions	Mean	Median	Std. Deviation	Min.	Max.
Total # of gifts	1449	7.25	3	14.79	1	183
Total $ of gifts (in millions)	1449	62.6	9.07	202	1	3210

Total number of publicly announced Million Dollar List gifts to higher educational institutions, 2000-2012:10,501
Total dollar value of publicly announced Million Dollar List gifts to higher educational institutions, 2000-2012 (inflation adjusted to 2012 dollars): $90.8 billion
Total number of higher education institutions in data set: 1,449

Table 2: Independent variables

Variable	# of Institutions	Mean	Median	Std. Deviation	Min.	Max.
Age of Institution (in the year 2000)*	1429	99	102	51.06	-13	364
# of Enrolled Students	1355	8980	4122	11144.95	1	78946
# of FTE	1354	1540	590	2662.07	6	19927
% of Faculty with Tenure	1352	32.48	32.78	20.15	0	100
Endowment Value ($, in hundreds of millions)	1397	1.58	0.08	7.85	0	183
Total Assets ($, in hundreds of millions)	1381	2.36	0.22	11	0	249
Total Government Funding ($, in hundreds of millions)	1449	0.54	0.05	1.21	0	11
Alumni Body Size	777	50224	24033	73311.08	0	1170346
Employee Expenses ($, in hundreds of millions)	1449	0.77	0.23	1.59	0	16.5
Alumni Average Giving ($)	666	322.65	227	345.86	0.98	4064
Board Average Giving ($, in millions)	687	40033.25	15622	80138.67	0.96	1029860

Notes: Independent variables are for the year 2001, unless otherwise noted.
*Negative observations were reclassified as 0 for this analysis.

Table 3: Categorical variables

Age of Institution (in the year 2000)	# of Institutions	Total # of Gifts	Total $ of Gifts (in billions)
Young (founded 1950-present)	328	1438	10.4
Medium (founded 1900-1950)	372	1782	12.1
Old (founded before 1900)	729	7248	67.7
Presidential Tenure	**# of Institutions**	**Total # of Gifts**	**Total $ of Gifts (in billions)**
Long (current president inaugurated before 2000)	178	1027	7.95
Medium (current president inaugurated 2000-2005)	258	2238	21.9
Short (current president inaugurated 2006-present)	911	6830	57.1
Rank (in the year 2000 per U.S. News & World Report)	**# of Institutions**	**Total # of Gifts**	**Total $ of Gifts (in billions)**
Unranked	1325	6625	44.9
Ranked	124	3876	45.9

Table 4: Institutional control variables

Control of Institution	# of Institutions	Total # of Gifts	Total $ of Gifts ($, in billions)
Private not-for-profit	828	5285	50.9
Public	618	5209	39.8
Historically Black College or University (HBCU)	**# of Institutions**	**Total # of Gifts**	**Total $ of Gifts ($, in billions)**
No	1400	10345	90.3
Yes	49	156	0.5
Liberal Arts College	**# of Institutions**	**Total # of Gifts**	**Total $ of Gifts ($, in billions)**
No	1273	9447	84.4
Yes	176	1054	6.41
Carnegie Classification: Doctoral/Research University	**# of Institutions**	**Total # of Gifts**	**Total $ of Gifts ($, in billions)**
No	1170	4298	24.7
Yes	279	6203	66.1
Carnegie Classification	**# of Institutions**	**Total # of Gifts**	**Total $ of Gifts ($, in billions)**
Associates Colleges	177	290	0.97
Baccalaureate Colleges (other)	172	457	1.92
Baccalaureate Colleges (Liberal Arts)	176	1054	6.41
Master's Colleges and Universities	417	1725	8.27
Doctorate or Research Universities	250	6009	63.5
Professional Schools	138	451	3.93
Not classified	119	515	5.78

Notes: Control variables are for the year 2001. Where 2001 data was unavailable, data from 2002 was substituted, and the same for 2003.

Table 5: Geographic control variables

Region	# of Institutions	Total # of Gifts	Total $ of Gifts ($, in billions)
Northeast: Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, Pennsylvania, New Jersey	360	2520	25.9
Midwest: Wisconsin, Michigan, Illinois, Indiana, Ohio, Missouri, North Dakota, South Dakota, Nebraska, Kansas, Minnesota, Iowa	377	2636	20.5
South: Delaware, Maryland, District of Columbia, Virginia, West Virginia, North Carolina, South Carolina, Georgia, Florida, Kentucky, Tennessee, Mississippi, Alabama, Oklahoma, Texas, Arkansas, Louisiana	473	3539	28.3
West: Idaho, Montana, Wyoming, Nevada, Utah, Colorado, Arizona, New Mexico, Alaska, Washington, Oregon, California, Hawaii	237	1803	16.1
Rural	**# of Institutions**	**Total # of Gifts**	**Total $ of Gifts ($, in billions)**
No	1172	9556	85.4
Yes	277	945	5.4

Baseline Regressions

Table 6: Median regression

Dependent variable: Total number of publicly announced million-dollar gifts (in natural log), 2000-2012

	Total # of Gifts (natural log, control for liberal arts college)	Total # of Gifts (natural log, control for doctorate university)	Total # of Gifts (natural log, control for Carnegie Classification)
Assets ($, in hundreds of millions)	0.001 (0.003)	0.002 (0.002)	0.003 (0.002)
Endowment (natural log, $, in hundreds of millions)	0.021*** (0.003)	0.021*** (0.003)	0.015*** (0.003)
Government funding (natural log, $, in hundreds of millions)	0.015** (0.007)	0.011 (0.007)	0.009 (0.007)
Enrolled students (in thousands)	0.009** (0.004)	0.008** (0.003)	0.007** (0.003)
FTE	0.000*** (0.000)	0.000** (0.000)	0.000** (0.000)
% of faculty with tenure (natural log)	0.040* (0.021)	0.038** (0.019)	0.029 (0.020)

Employee expenses ($, in hundreds of millions)	0.137*** (0.044)	0.072** (0.041)	0.093** (0.042)
Age of institution: medium	-0.123** (0.060)	-0.134** (0.052)	-0.086 (0.052)
Age of institution: young	-0.128* (0.071)	-0.106 (0.066)	-0.050 (0.068)
Presidential tenure: medium	0.045 (0.060)	0.026 (0.056)	0.011 (0.056)
Presidential tenure: long	0.042 (0.069)	0.040 (0.065)	0.034 (0.065)
Rank (dummy)	0.408*** (0.101)	0.640*** (0.090)	0.479*** (0.094)
Control of institution: Public	0.231*** (0.070)	0.252*** (0.064)	0.124* (0.069)
HBCU (dummy)	-0.151 (0.132)	-0.136 (0.123)	-0.217* (0.124)
Location: Rural (dummy)	-0.166*** (0.061)	-0.125** (0.057)	-0.122** (0.058)
Region: Midwest	0.120* (0.066)	0.138** (0.062)	0.117* (0.062)
Region: South	0.166** (0.065)	0.232*** (0.060)	0.219*** (0.060)
Region: West	0.209*** (0.077)	0.223*** (0.071)	0.236*** (0.071)
Liberal arts college (dummy)	0.264*** (0.077)		
Doctorate university (dummy)		0.568*** (0.072)	
Carnegie: Baccalaureate Colleges (other)			0.194* (0.105)
Carnegie: Baccalaureate Colleges (Liberal Arts)			0.544*** (0.110)

Carnegie: Master's Colleges and Universities			0.308*** (0.087)
Carnegie: Doctorate or Research Universities			0.836*** (0.105)
Carnegie: Professional Schools			0.221** (0.110)
Carnegie: Not classified			0.139 (0.207)
_cons	-0.570*** (0.124)	0.635*** (0.116)	0.435*** (0.143)
N	1285	1275	1275
Pseudo R^2	0.3399	0.3564	0.3702

Note: Standard errors in parentheses; * p < 0.10, ** p < 0.05, *** p < 0.01

Table 7: Median regression

Dependent variable: Total value of publicly announced million-dollar gifts (in natural log), 2000-2012

	Total Value of Gifts (natural log, control for liberal arts college)	Total Value of Gifts (natural log, control for doctorate university)	Total Value of Gifts (natural log, control for Carnegie Classification)
Assets ($, in hundreds of millions)	0.006 (0.005)	0.006 (0.004)	0.010** (0.004)
Endowment (natural log, $, in hundreds of millions)	0.042*** (0.006)	0.040*** (0.006)	0.034*** (0.006)
Government funding (natural log, $, in hundreds of millions)	0.058*** (0.014)	0.046*** (0.013)	0.051*** (0.012)
Enrolled students (in thousands)	0.016** (0.007)	0.017*** (0.006)	0.022*** (0.006)
FTE	0.000*** (0.000)	0.000*** (0.000)	0.000*** (0.000)
% of faculty with tenure (natural log)	0.143*** (0.038)	0.161*** (0.035)	0.111*** (0.033)
Employee expenses ($, in hundreds of millions)	0.032 (0.083)	-0.062 (0.075)	-0.048 (0.071)
Age of institution: medium	-0.208* (0.111)	-0.237** (0.100)	-0.174* (0.095)

Age of institution: young	-0.086 (0.132)	-0.121 (0.119)	0.078 (0.116)
Presidential tenure: medium	-0.006 (0.112)	-0.034 (0.101)	-0.095 (0.095)
Presidential tenure: long	-0.081 (0.129)	-0.096 (0.117)	-0.068 (0.111)
Rank (dummy)	0.918*** (0.187)	1.094*** (0.164)	0.940*** (0.161)
Control of institution: Public	-0.860*** (0.130)	-0.895*** (0.117)	-0.715*** (0.118)
HBCU (dummy)	-0.496** (0.246)	-0.494** (0.223)	-0.599*** (0.212)
Location: Rural (dummy)	-0.282** (0.114)	-0.299** (0.103)	-0.081 (0.099)
Region: Midwest	0.160 (0.124)	0.119 (0.112)	0.235** (0.106)
Region: South	0.384*** (0.120)	0.353*** (0.109)	0.358*** (0.103)
Region: West	0.448*** (0.143)	0.583*** (0.129)	0.533*** (0.122)
Liberal arts college (dummy)	0.314** (0.144)		
Doctorate university (dummy)		1.145*** (0.131)	
Carnegie: Baccalaureate Colleges (other)			0.412** (0.179)
Carnegie: Baccalaureate Colleges (Liberal Arts)			1.040*** (0.189)
Carnegie: Master's Colleges and Universities			0.635*** (0.149)
Carnegie: Doctorate or Research Universities			1.669*** (0.180)

Carnegie: Professional Schools			0.865*** (0.189)
Carnegie: Not classified			0.943*** (0.355)
_cons	14.022*** (0.231)	14.244*** (0.210)	13.615*** (0.245)
N	1285	1285	1285
Pseudo R2	0.3094	0.3352	0.3468

Note: Standard errors in parentheses; * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 8: Median regression

Dependent variable: Total number of publicly announced million-dollar gifts (in natural log), 2000-2012, with additional variables (alumni and board average giving)

	Total # of Gifts (natural log, control for liberal arts college)	Total # of Gifts (natural log, control for doctorate university)	Total # of Gifts (natural log, control for Carnegie Classification)
Alumni average giving (natural log, $)	0.090** (0.040)	0.137*** (0.042)	0.070* (0.040)
Board average giving amount (natural log, $)	0.040* (0.022)	0.046** (0.023)	0.049** (0.022)
Endowment (natural log, $, in hundreds of millions)	0.237*** (0.032)	0.234*** (0.034)	0.220*** (0.034)
Assets ($, in hundreds of millions)	0.002 (0.004)	0.003 (0.004)	0.004 (0.004)
Government funding (natural log, $, in hundreds of millions)	0.014 (0.011)	0.016 (0.012)	0.020* (0.012)
Enrolled students (in thousands)	0.017*** (0.006)	0.014** (0.006)	0.015*** (0.005)
FTE	0.000 (0.000)	0.000 (0.000)	0.000 (0.000)
% of faculty with tenure (natural log)	0.005 (0.033)	-0.009 (0.034)	0.010 (0.034)
Alumni body size (natural log)	0.036 (0.048)	0.042 (0.050)	0.053 (0.053)
Employee expenses ($, in hundreds of millions)	0.109** (0.048)	0.046 (0.051)	0.038 (0.049)

Age of institution: medium	0.043 (0.069)	0.023 (0.073)	0.009 (0.070)
Age of institution: young	0.058 (0.098)	0.115 (0.104)	0.077 (0.100)
Presidential tenure: medium	-0.006 (0.066)	-0.006 (0.070)	0.006 (0.066)
Presidential tenure: long	0.182** (0.086)	0.194** (0.091)	0.169* (0.087)
Rank (dummy)	0.127 (0.097)	0.117 (0.101)	0.125 (0.099)
Control of institution: Public	0.134 (0.099)	0.127 (0.105)	0.096 (0.105)
HBCU (dummy)	-0.022 (0.215)	-0.037 (0.227)	0.028 (0.217)
Location: Rural (dummy)	-0.114* (0.069)	-0.103 (0.072)	-0.132* (0.070)
Region: Midwest	0.203*** (0.073)	0.158** (0.077)	0.220*** (0.075)
Region: South	0.185** (0.073)	0.151** (0.077)	0.205** (0.074)
Region: West	0.285*** (0.085)	0.255*** (0.090)	0.302*** (0.086)
Liberal arts college (dummy)	0.140* (0.076)		
Doctorate university (dummy)		0.223** (0.094)	
Carnegie: Baccalaureate Colleges (other)			-0.185 (0.181)
Carnegie: Baccalaureate Colleges (Liberal Arts)			-0.033 (0.178)
Carnegie: Master's Colleges and Universities			-0.175 (0.164)

Carnegie: Doctorate or Research Universities			0.042 (0.184)
Carnegie: Professional Schools			-0.009 (0.211)
Carnegie: Not classified			-0.646 (0.666)
_cons	-4.422*** (0.544)	-4.652*** (0.625)	-4.192*** (0.614)
N	615	615	615
Pseudo R^2	0.4425	0.4440	0.4475

Note: Standard errors in parentheses; * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Other Regressions

Table 9: Ordinary Least Squares regression

Dependent variable: Total number of publicly announced million-dollar gifts (in natural log), 2000-2012

	Total # of Gifts (natural log, control for liberal arts college)	Total # of Gifts (natural log, control for doctorate university)	Total # of Gifts (natural log, control for Carnegie Classification)
Assets ($, in hundreds of millions)	0.003* (0.002)	0.003* (0.002)	0.005** (0.002)
Endowment (natural log, $, in hundreds of millions)	0.021*** (0.002)	0.020*** (0.002)	0.016*** (0.002)
Government funding (natural log, $, in hundreds of millions)	0.019*** (0.005)	0.013*** (0.004)	0.017*** (0.005)
Enrolled students (in thousands)	0.007** (0.003)	0.005* (0.003)	0.006* (0.003)
FTE	0.000** (0.000)	0.000 (0.000)	0.000* (0.000)
% of faculty with tenure (natural log)	0.051*** (0.013)	0.050*** (0.013)	0.031*** (0.013)
Employee expenses ($, in hundreds of millions)	0.115** (0.048)	0.90** (0.045)	0.087* (0.045)
Age of institution: medium	-0.098** (0.042)	-0.097** (0.041)	-0.074* (0.041)
Age of institution: young	-0.112** (0.057)	-0.089 (0.055)	-0.043 (0.056)

Presidential tenure: medium	-0.017 (0.042)	-0.007 (0.041)	-0.021 (0.041)
Presidential tenure: long	0.002 (0.049)	0.001 (0.049)	-0.003 (0.048)
Rank (dummy)	0.453*** (0.088)	0.530*** (0.077)	0.453*** (0.084)
Control of institution: Public	0.215*** (0.050)	-0.227*** (0.048)	-0.143*** (0.052)
HBCU (dummy)	-0.119 (0.084)	-0.111 (0.090)	-0.135 (0.091)
Location: Rural (dummy)	-0.190*** (0.042)	-0.150*** (0.041)	-0.151*** (0.041)
Region: Midwest	0.131*** (0.047)	0.121*** (0.046)	0.133*** (0.045)
Region: South	0.192*** (0.047)	0.189*** (0.047)	0.180*** (0.046)
Region: West	0.173*** (0.059)	0.171*** (0.058)	0.165*** (0.058)
Liberal arts college (dummy)	0.175*** (0.058)		
Doctorate university (dummy)		0.451*** (0.067)	
Carnegie: Baccalaureate Colleges (other)			0.220*** (0.068)
Carnegie: Baccalaureate Colleges (Liberal Arts)			0.528*** (0.080)
Carnegie: Master's Colleges and Universities			0.300*** (0.055)
Carnegie: Doctorate or Research Universities			0.750*** (0.083)
Carnegie: Professional Schools			0.317*** (0.075)
Carnegie: Not classified			0.264* (0.151)

_cons	-0.605*** (0.078)	0.688*** (0.075)	0.420*** (0.092)
N	1285	1285	1285
R^2	0.5652	0.5835	0.5962

Note: Standard errors in parentheses; * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 10: Ordinary Least Squares regression

Dependent variable: Total value of publicly announced million-dollar gifts (in natural log), 2000-2012

	Total Value of Gifts (natural log, control for liberal arts college)	Total Value of Gifts (natural log, control for doctorate university)	Total Value of Gifts (natural log, control for Carnegie Classification)
Assets ($, in hundreds of millions)	0.005 (0.005)	0.005 (0.004)	0.008* (0.004)
Endowment (natural log, $, in hundreds of millions)	0.037*** (0.005)	0.035*** (0.005)	0.029*** (0.005)
Government funding (natural log, $, in hundreds of millions)	0.053*** (0.010)	0.041*** (0.009)	0.056*** (0.010)
Enrolled students (in thousands)	0.018*** (0.006)	0.014*** (0.005)	0.019*** (0.005)
FTE	0.000 (0.000)	0.000 (0.000)	0.000 (0.000)
% of faculty with tenure (natural log)	0.115*** (0.030)	0.109*** (0.029)	0.085*** (0.030)
Employee expenses ($, in hundreds of millions)	0.195** (0.096)	0.143* (0.086)	0.130 (0.084)
Age of institution: medium	-0.191** (0.088)	-0.182** (0.085)	-0.145* (0.085)
Age of institution: young	-0.143 (0.112)	-0.093 (0.108)	-0.011 (0.110)
Presidential tenure: medium	-0.056 (0.083)	-0.034 (0.081)	-0.060 (0.080)
Presidential tenure: long	0.007 (0.108)	0.006 (0.107)	0.003 (0.103)
Rank (dummy)	0.868*** (0.150)	1.011*** (0.134)	0.877*** (0.139)
Control of institution: Public	-0.751*** (0.102)	-0.766*** (0.097)	-0.619*** (0.107)

HBCU (dummy)	-0.562*** (0.174)	-0.545*** (0.188)	-0.567*** (0.189)
Location: Rural (dummy)	-0.312*** (0.085)	-0.225*** (0.083)	-0.198** (0.084)
Region: Midwest	0.114 (0.097)	0.094 (0.093)	0.127 (0.093)
Region: South	0.278*** (0.097)	0.269*** (0.094)	0.271*** (0.094)
Region: West	0.315*** (0.119)	0.309*** (0.117)	0.293** (0.116)
Liberal arts college (dummy)	0.310*** (0.102)		
Doctorate university (dummy)		1.030*** (0.126)	
Carnegie: Baccalaureate Colleges (other)			0.444*** (0.155)
Carnegie: Baccalaureate Colleges (Liberal Arts)			1.063*** (0.164)
Carnegie: Master's Colleges and Universities			0.616*** (0.124)
Carnegie: Doctorate or Research Universities			1.458*** (0.164)
Carnegie: Professional Schools			0.959*** (0.176)
Carnegie: Not classified			1.056*** (0.352)
_cons	14.411*** (0.168)	14.595*** (0.159)	13.808*** (0.210)
N	1285	1285	1285
R^2	0.4942	0.5235	0.5324

Note: Standard errors in parentheses; * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 11: Ordinary Least Squares regression
Dependent variable: Total number of publicly announced million-dollar gifts (in natural log), 2000-2012, with additional variables (alumni and board average giving)

	Total # of Gifts (natural log, control for	Total # of Gifts (natural log, control for	Total # of Gifts (natural log, control for

	liberal arts college)	doctorate university)	Carnegie Classification)
Alumni average giving (natural log, $)	0.084** (0.034)	0.086** (0.034)	0.079** (0.034)
Board average giving amount (natural log, $)	0.065*** (0.019)	0.064*** (0.019)	0.061*** (0.019)
Endowment (natural log, $, in hundreds of millions)	0.208*** (0.026)	0.194*** (0.026)	0.181*** (0.028)
Assets ($, in hundreds of millions)	0.002 (0.002)	0.001 (0.002)	0.003 (0.002)
Government funding (natural log, $, in hundreds of millions)	0.022** (0.010)	0.018* (0.010)	0.020* (0.010)
Enrolled students (in thousands)	0.014*** (0.005)	0.013** (0.005)	0.013*** (0.005)
FTE	0.000 (0.000)	0.000 (0.000)	0.000 (0.000)
% of faculty with tenure (natural log)	0.014 (0.027)	0.021 (0.027)	0.028 (0.059)
Alumni body size (natural log)	0.055 (0.038)	0.035 (0.038)	0.059 (0.041)
Employee expenses ($, in hundreds of millions)	0.097* (0.053)	0.094* (0.051)	0.093* (0.052)
Age of institution: medium	0.025 (0.058)	0.016 (0.058)	0.026 (0.058)
Age of institution: young	0.142* (0.084)	0.127 (0.085)	0.141 (0.086)
Presidential tenure: medium	-0.007 (0.055)	0.006 (0.055)	0.000 (0.056)
Presidential tenure: long	0.116 (0.073)	0.118 (0.075)	0.118 (0.074)
Rank (dummy)	0.119 (0.091)	0.173** (0.085)	0.136 (0.090)
Control of institution: Public	0.040 (0.086)	0.026 (0.086)	0.030 (0.094)

HBCU (dummy)	0.020 (0.155)	-0.021 (0.153)	-0.002 (0.162)
Location: Rural (dummy)	-0.124** (0.058)	-0.115** (0.057)	-0.119** (0.058)
Region: Midwest	0.139** (0.064)	0.139** (0.063)	0.143** (0.064)
Region: South	0.114* (0.061)	0.112* (0.061)	0.114* (0.062)
Region: West	0.210*** (0.080)	0.206** (0.080)	0.209*** (0.080)
Liberal arts college (dummy)	0.087 (0.067)		
Doctorate university (dummy)		0.188** (0.081)	
Carnegie: Baccalaureate Colleges (other)			0.123 (0.137)
Carnegie: Baccalaureate Colleges (Liberal Arts)			0.264* (0.136)
Carnegie: Master's Colleges and Universities			0.121 (0.119)
Carnegie: Doctorate or Research Universities			0.302** (0.144)
Carnegie: Professional Schools			0.260 (0.192)
Carnegie: Not classified			-0.479*** (0.151)
_cons	-4.294*** (0.467)	-3.814*** (0.480)	-3.913*** (0.493)
N	615	615	615
R^2	0.673	0.676	0.678

Note: Standard errors in parentheses; * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 12: Poisson regression

Dependent variable: Total number of publicly announced million-dollar gifts, 2000-2012

	Total # of Gifts (natural log, control for liberal arts college)	Total # of Gifts (natural log, control for doctorate university)	Total # of Gifts (natural log, control for Carnegie Classification)
Assets ($, in hundreds of millions)	0.002* (0.001)	0.002** (0.001)	0.002** (0.001)
Endowment (natural log, $, in hundreds of millions)	0.037*** (0.006)	0.033*** (0.005)	0.027*** (0.005)
Government funding (natural log, $, in hundreds of millions)	0.038*** (0.022)	0.029** (0.014)	0.042*** (0.016)
Enrolled students (in thousands)	0.011** (0.005)	0.008* (0.004)	0.008 (0.005)
FTE	0.000 (0.000)	0.000 (0.000)	0.000 (0.000)
% of faculty with tenure (natural log)	0.105*** (0.032)	0.087*** (0.031)	0.052* (0.028)
Employee expenses ($, in hundreds of millions)	0.082** (0.033)	0.082*** (0.031)	0.083*** (0.031)
Age of institution: medium	-0.210*** (0.067)	-0.167*** (0.062)	-0.142** (0.061)
Age of institution: young	-0.173 (0.151)	-0.125 (0.139)	-0.069 (0.143)
Presidential tenure: medium	-0.086 (0.069)	-0.075 (0.069)	-0.081 (0.069)
Presidential tenure: long	-0.068 (0.089)	-0.070 (0.088)	-0.074 (0.088)
Rank (dummy)	0.590*** (0.106)	0.551*** (0.094)	0.519*** (0.098)
Control of institution: Public	-0.219** (0.110)	0.172* (0.094)	-0.126 (0.101)
HBCU (dummy)	-0.308* (0.159)	-0.239 (0.167)	-0.270 (0.167)
Location: Rural (dummy)	-0.354*** (0.082)	-0.257*** (0.078)	-0.254*** (0.078)

Region: Midwest	0.196** (0.093)	0.175** (0.087)	0.187** (0.088)
Region: South	0.276*** (0.087)	0.235*** (0.086)	0.236*** (0.085)
Region: West	0.190* (0.101)	0.164* (0.096)	0.158 (0.097)
Liberal arts college (dummy)	-0.007 (0.091)		
Doctorate university (dummy)		0.665*** (0.079)	
Carnegie: Baccalaureate Colleges (other)			0.499*** (0.130)
Carnegie: Baccalaureate Colleges (Liberal Arts)			0.878*** (0.144)
Carnegie: Master's Colleges and Universities			0.666*** (0.106)
Carnegie: Doctorate or Research Universities			1.306*** (0.126)
Carnegie: Professional Schools			0.837*** (0.147)
Carnegie: Not classified			0.888** (0.420)
_cons	-0.403 (0.321)	0.143 (0.206)	-0.540** (0.262)
N	1285	1285	1285
Pseudo R^2	0.5783	0.5982	0.6042

Note: Standard errors in parentheses; * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 13: Poisson regression

Dependent variable: Total number of publicly announced million-dollar gifts, 2000-2012, with additional variables (alumni and board average giving)

	Total # of Gifts (natural log, control for liberal arts college)	Total # of Gifts (natural log, control for doctorate university)	Total # of Gifts (natural log, control for Carnegie Classification)
Alumni average giving (natural log, $)	0.096** (0.041)	0.101** (0.040)	0.103** (0.041)

Board average giving amount (natural log, $)	0.092*** (0.030)	0.085*** (0.029)	0.083** (0.029)
Endowment (natural log, $, in hundreds of millions)	0.239*** (0.040)	0.199*** (0.040)	0.192*** (0.042)
Assets ($, in hundreds of millions)	-0.002*** (0.002)	-0.001** (0.002)	-0.001 (0.002)
Government funding (natural log, $, in hundreds of millions)	0.037 (0.027)	0.023 (0.021)	0.026 (0.023)
Enrolled students (in thousands)	0.007 (0.006)	0.007 (0.006)	0.007 (0.006)
FTE	-0.000 (0.000)	-0.000 (0.000)	-0.000 (0.000)
% of faculty with tenure(natural log)	-0.016 (0.045)	-0.016 (0.044)	-0.023 (0.046)
Alumni body size (natural log)	0.174** (0.068)	0.138** (0.062)	0.144** (0.069)
Employee expenses ($, in hundreds of millions)	0.083** (0.036)	0.086** (0.035)	0.086** (0.035)
Age of institution: medium	-0.077 (0.068)	-0.070 (0.066)	-0.071 (0.066)
Age of institution: young	0.170 (0.115)	0.140 (0.113)	0.150 (0.114)
Presidential tenure: medium	-0.062 (0.072)	-0.047 (0.071)	-0.050 (0.071)
Presidential tenure: long	0.091 (0.086)	0.093 (0.087)	0.086 (0.088)
Rank (dummy)	0.261*** (0.099)	0.268*** (0.093)	0.269*** (0.096)
Control of institution: Public	0.031 (0.137)	0.014 (0.124)	0.014 (0.133)
HBCU (dummy)	-0.132 (0.258)	-0.189 (0.272)	-0.183 (0.280)

Location: Rural (dummy)	-0.197** (0.082)	-0.190** (0.080)	-0.181** (0.081)
Region: Midwest	0.176** (0.089)	0.191** (0.085)	0.202** (0.086)
Region: South	0.238** (0.094)	0.222** (0.092)	0.228** (0.094)
Region: West	0.336*** (0.082)	0.321*** (0.080)	0.324*** (0.080)
Liberal arts college (dummy)	-0.106 (0.086)		
Doctorate university (dummy)		0.348*** (0.086)	
Carnegie: Baccalaureate Colleges (other)			0.266 (0.199)
Carnegie: Baccalaureate Colleges (Liberal Arts)			0.393** (0.190)
Carnegie: Master's Colleges and Universities			0.385** (0.176)
Carnegie: Doctorate or Research Universities			0.704*** (0.190)
Carnegie: Professional Schools			0.620** (0.249)
Carnegie: Not classified			-0.714*** (0.210)
_cons	-6.439*** (0.655)	-5.200*** (0.667)	-5.529*** (0.693)
N	615	615	615
Pseudo R^2	0.6622	0.6666	0.6672

Note: Standard errors in parentheses; * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$