

2018

**AIEA Annual Conference**  
*The Internationalization  
Imperative in Turbulent Times*



# **MAKING THE CASE: FUNDRAISING FOR INTERNATIONAL EDUCATION IN THE POPULIST ERA**

Sydney Van Morgan, Johns Hopkins University  
William Brustein, West Virginia University  
Heike Michelsen, Cornell University

# OVERVIEW OF PANEL

- **Sydney Van Morgan, Johns Hopkins University**
  - Current State of University Funding in the Populist Era
- **William Brustein, West Virginia University**
  - Internal and External Fundraising Best Practices
- **Heike Michelsen, Cornell University**
  - Case Study Survey Responses

# OVERVIEW OF PANEL: PART 1

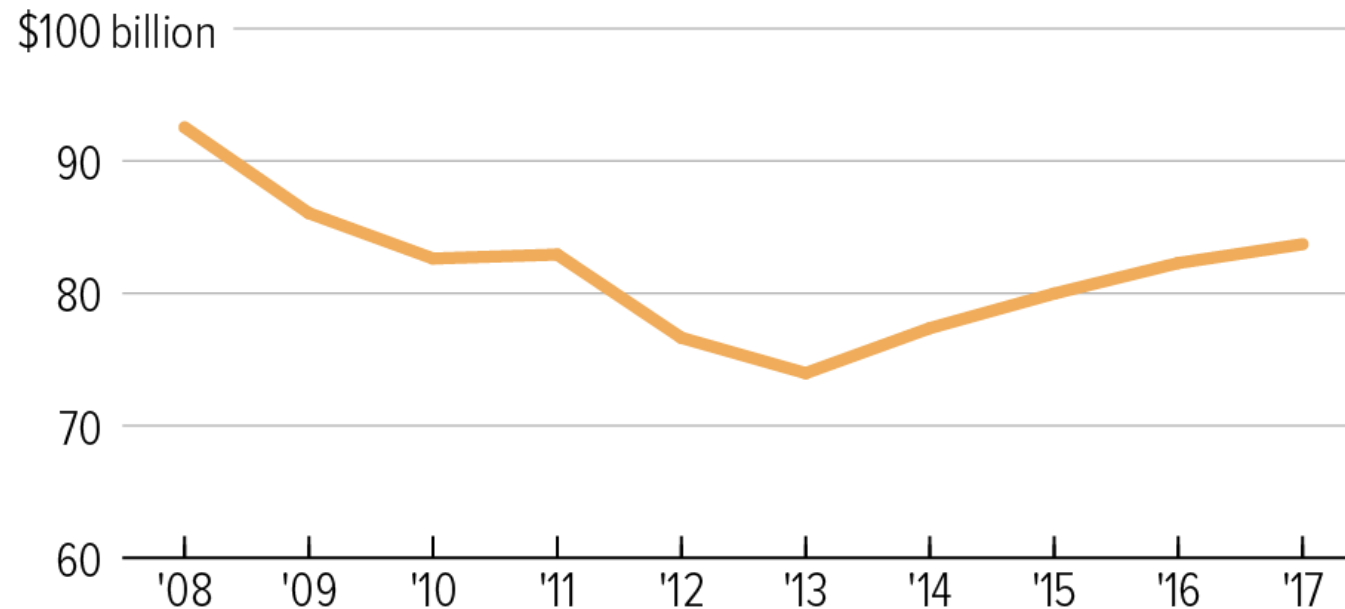
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# CURRENT STATE OF FUNDING FOR HIGHER ED

- Decline in state support for higher education in United States
  - Almost **10% decrease in appropriations** since 2007-8
  - **15% decline in per-student funding** since 2007-8
  - **Funding levels have not recovered** in step with the economy

## State Spending on Higher Education Well Below Pre-Recession Levels

Total state spending, adjusted for inflation



Source: CBPP analysis of data from Grapevine survey and State Higher Education Executive Officers Association, 2017

CENTER ON BUDGET AND POLICY PRIORITIES | CBPP.ORG

# CURRENT STATE OF FUNDING FOR HIGHER ED

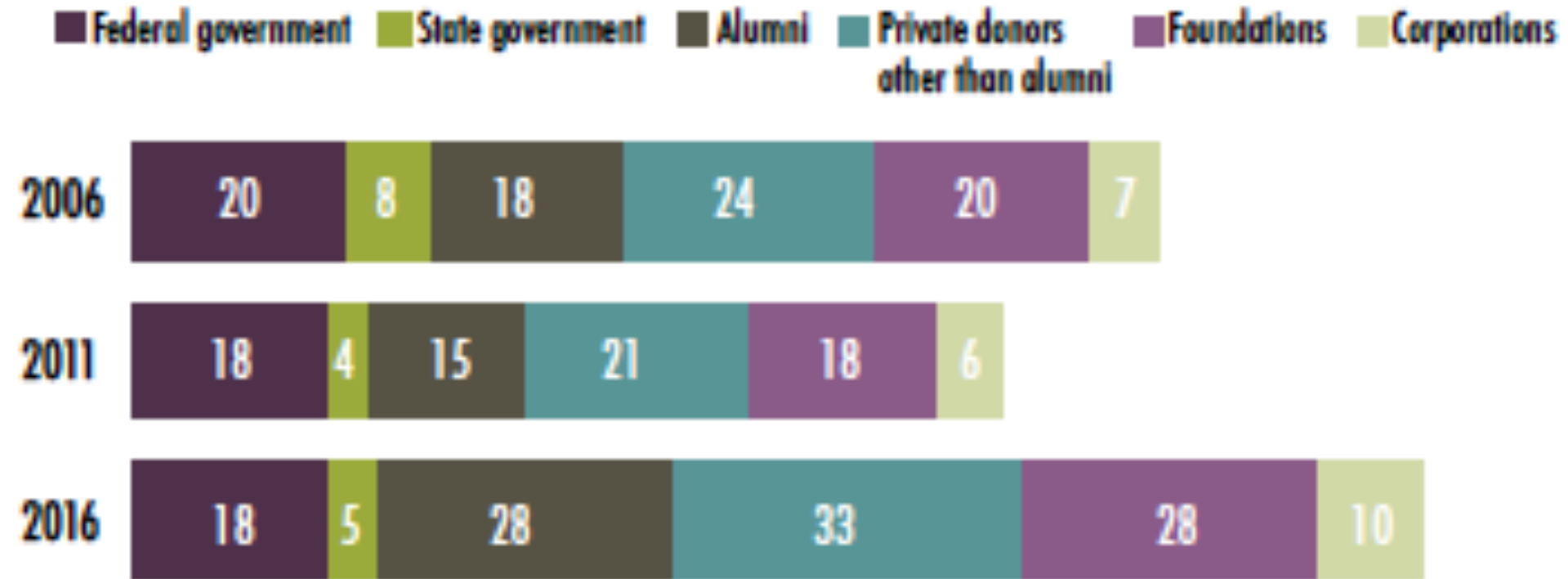
- New populist leaders act to further cut higher federal ed spending
  - New **endowment tax** on wealthy universities (the “Harvard Tax”)
  - Proposal to **cut Title VI** programs (NRC/FLAS programs, etc.)
  - Proposal to **IDC cap** proposal
  - **Tax reform** might decrease charitable giving by increasing stand deduction

# CURRENT STATE OF FUNDING FOR HIGHER ED

- In this environment, universities are seeking new sources of revenue from **private sources**
  - **Alumni donations** (inc. international alumni gifts)
  - **NGOs and private sector** sources seeking globally competent graduates

## How and why is this becoming a trend?

Figure 4. Percentage of institutions receiving funding for internationalization from external sources





# MAJOR GIFTS FOR INTERNATIONAL EDUCATION

YEAR	AMOUNT & NATURE OF GIFT
2015	\$100 million gift to the University of Chicago to create the Pearson Institute for the Study and Resolution of Global Conflicts and the Pearson Global Forum
2015	\$100 million gift to Northwestern to create Buffett Institute for Global Studies
2014	\$50 million gift to University of Notre Dame to establish the Keough School of Global Affairs
2013	\$30 million gift to University of Notre Dame for International Studies' building
2016	\$30 million gift to Baruch College's School of Public and International Affairs
2017	\$25 million gift to Colby College to fund global experiences and research
2013	\$25 million gift to Boston University to create Pardee School of Global Studies
2015	\$20 million gift to Florida International University for Steven J . Green School of International and Public Affairs
2014	\$17 millions gift to the University of Denver to establish the Anna and John J. Sie International Relations Complex
2015	\$10 million gift to Johns Hopkins to create Aronson Center for International Studies
2016	\$10 million gift to George Mason University to the Schar School of Policy and Government
2016	\$6.3 million gift to William & Mary for international education
2017	\$5 million gift to Indiana University Bloomington to establish the Randall L and Deborah F Tobias Center for Innovation in International Development
2016	\$4 million gift to the University of Oklahoma to create the College of International Studies

# OVERVIEW OF PANEL: PART 2

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# INTERNAL FUNDRAISING

Steps: “If your school won’t commit to international education, why would anyone else?”

- Internationalization is a key priority of campus
  - ✓ Strategic plans, mission statements, committee senior leadership to internationalization
  - ✓ Embed internationalization into teaching, research and engagement missions of all campus units



# INTERNAL FUNDRAISING

- External fundraising success = leveraging; internal fundraising success → external success
- Enlist students (“WV4U”) and faculty
- Assess overhead (grants/services)
- Fees and Tuition: International Student Fees, IEP tuition



## **EXTERNAL FUNDRAISING**

**“The ties that bind – Building relationship with the foundation, corporate and government communities.”**

### **➤ Federal Agencies**

- ✓ National Science Foundation's International Program
- ✓ Department of Defense (e.g., NSEP)
- ✓ Department of Education (e.g., Title VI, Fulbright-Hays, FIPSE)
- ✓ Department of State
- ✓ USAID (e.g., Africa – U.S. Initiative)

## **EXTERNAL FUNDRAISING (TIPS)**

**Have you made the case for the value of international education in a way that will resonate with individual donors and other funders? Are you sensitive to shifts in institutional funders' programmatic interests?**

- **Corporations and foundations**
  - **British Petroleum \$500 million for Berkeley-Illinois Bio-Fuels Initiative**
  - **ADM, Caterpillar and Kraft Funding of Illinois-Tsinghua 3+2**
  - **Heinz, Alcoa, USX, Freeman, Carnegie, and Mellon International**

# **EXTERNAL FUNDRAISING**

## **(REMEMBER POTENTIAL ALLIES)**

- **Individuals and Groups**

- Domestic and International Alumni (e.g., Study Abroad Scholarships, Paid international internships, Kabek graduate fellowships for international students)
- Friends (e.g., Benter Endowed Chair for International Studies and Lemann \$14 million for Brazilian Studies Institute)
- Current and Retired Faculty (e.g., Sheth and Goodman)
- Promote ongoing solicitation campaign with mailings, emails etc..., ( e.g., Illinois' "A Chance to Expand Horizons", "You Can Change the World", "Illinois is really going places")
- Diaspora or Ethnic Communities (e.g., South Asian Gateway)

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# Internationalization and University Funding

Based on interviews with SIOs and development officers from:

- West Virginia University
- John Hopkins
- Syracuse University
- SUNY Cortland
- Cornell University

# Internationalization and University Funding – Key Questions

1. Do universities have a fundraising strategy for internationalization or is “internationalization” a key component of their capital campaign? How important are “private donors” to fund internationalization ?
2. What were the key factors of success and what were the most important challenges to fundraise for internationalization?
3. What are the most effective strategies to build productive and sustainable relationships with private donors to fund internationalization?
4. Has the new administration in Washington DC impacted the ability of universities to solicit funds from private donors? If so, how?

# Internationalization and fundraising

- ☐ Requires a well-developed funding strategy.
- ☐ Integrated with overall university funding strategy and priorities.
- ☐ Even if fundraising is ad-doc it can still follow a strategic approach.
- ☐ Universities with capital campaigns should include internationalization components.
- ☐ Private donors are key to successful fundraising for internationalization.
- ☐ Focus on international and national alumni.

# Success factors of fundraising

- ☐ Leadership articulates and communicates strategy.
- ☐ Leadership allocates resources.
- ☐ Strategy has a clear set of goals and priorities.
- ☐ Alumni who are loyal, passionate, and committed.
- ☐ Alumni engaged with international programming.
- ☐ Able to demonstrate areas of international excellence.
- ☐ Funding proposals and priorities align with alumni interests.
- ☐ Relationships between departments/colleges and development office.
- ☐ Proposals focus on undergraduate educational enhancement.

# Challenges of fundraising

- ☐ Changes in senior leadership.
- ☐ Competition with other funding priorities.
- ☐ Time for fundraising competes with other needs of internationalization.
- ☐ Increasing costs of international engagement.
- ☐ Staff with very different understandings about internationalization.
- ☐ Not enough resources to cultivate and manage relationships.
- ☐ Fundraising is decentralized.
- ☐ Seeking enough funds to have a significant impact.
- ☐ Find the right donors and offer them viable and attractive activities.
- ☐ Complex regulatory world.

# Effective strategies for private donors

- ☐ “Friend-raising”: Build sustainable and productive relationships.
- ☐ Identify the right people and units within your university.
- ☐ Identify leaders among alumni.
- ☐ Be patient: It takes time to fundraise.
- ☐ Don’t let donors drive the discussion.
- ☐ Offer international alumni funding options abroad.
- ☐ Stewardship: Personal rapport and visits.

# New administration and fundraising

- ☐ Too early to say. More anecdotal than measurable impact.
- ☐ National policies will have strong impact on internationalization.
- ☐ Funding challenges arose before the current administration.
- ☐ Relationships with alumni will outlive administration.
- ☐ Important to stress the long-term impact of donor's gift.
- ☐ Internationalization is more important than ever in our ever changing world.

# Contacts

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# Resources for Fundraising

- ❑ Association of Fundraising Professionals  
<http://www.afpnet.org/>
- ❑ Peace and Security Funders Group  
<http://peaceandsecurity.org/>
- ❑ <https://www.insidephilanthropy.com/grants-for-higher-education/>
- ❑ <http://www.hluce.org/highedu.aspx>