5-14-2003

An Examination of the Relationship Between Senior Class Giving Programs and First Year Alumni Giving Rates

Lisa M. Moore
University of San Francisco

Follow this and additional works at: https://repository.usfca.edu/thes

Recommended Citation
Moore, Lisa M., "An Examination of the Relationship Between Senior Class Giving Programs and First Year Alumni Giving Rates" (2003). Master's Theses. 1096.
https://repository.usfca.edu/thes/1096
The author of this thesis has agreed to make available to the University community and the public a copy of this dissertation project.

Unauthorized reproduction of any portion of this dissertation is prohibited.

The quality of this reproduction is contingent upon the quality of the original copy submitted.
An Examination of the Relationship Between Senior Class Giving Programs and First Year Alumni Giving Rates

A THESIS SUBMITTED

By

Lisa M. Moore

In Partial Fulfillment of the Requirements

For the Degree of

Master of

Nonprofit Administration

The University of San Francisco

May 14, 2003
An Examination of the Relationship Between Senior Class Giving Programs and First Year Alumni Giving Rates

This Thesis written by

Lisa M. Moore

This Thesis written under the guidelines of the Faculty Advisory Committee and approved by all its members, has been accepted in partial fulfillment of the requirements for the degree of:

Master of Nonprofit Administration

at the

University of San Francisco

Research Committee

Research Committee:

Chairperson

Second Reader

Program Director Date

Dean Date
TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abstract</td>
<td>iv</td>
</tr>
<tr>
<td>Vitae Auctoris</td>
<td>v</td>
</tr>
<tr>
<td>Acknowledgements</td>
<td>vi</td>
</tr>
<tr>
<td>List of Tables</td>
<td>vii</td>
</tr>
<tr>
<td>List of Appendices</td>
<td>ix</td>
</tr>
<tr>
<td>Introduction</td>
<td>1</td>
</tr>
<tr>
<td>Chapter One: Review of Literature and Delineation of Problem</td>
<td>5</td>
</tr>
<tr>
<td>Chapter Two: Methodology</td>
<td>20</td>
</tr>
<tr>
<td>Chapter Three: Results</td>
<td>28</td>
</tr>
<tr>
<td>Chapter Four: Summary and Conclusions</td>
<td>47</td>
</tr>
<tr>
<td>References</td>
<td>56</td>
</tr>
<tr>
<td>Appendices</td>
<td>58</td>
</tr>
</tbody>
</table>
ABSTRACT

This research studied the relationship between undergraduate senior-class giving programs at universities and first year alumni giving participation rates. This quantitative mail study surveyed 207 private universities across the continental United States. It included universities with traditional undergraduate enrollments between 2,000 and 10,000. The survey included findings for the fiscal years: 1999-2000, 2000-2001, and 2001-2002. Of the 207 universities, responses were received from 130.

The findings were that there was a statistically significant correlation between senior-class giving programs and first-year alumni giving participation rates. In addition, it found a strong correlation between universities with a higher percentage of on-campus students and first-year alumni giving participation rates. There was no significant impact on first-year alumni giving as the result either of the particular individual overseeing each senior gift program or of the amount of money spent per student on the senior gift program.
<table>
<thead>
<tr>
<th>Name:</th>
<th>Lisa M. Moore</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date of Birth:</td>
<td>October 8, 1973</td>
</tr>
</tbody>
</table>
| High School   | Castro Valley High School  
 Castro Valley, California |
| Graduated:    | 1992                   |
| Baccalaureate Degree: | Bachelor of Arts Degree |
| College:      | Saint Mary's College of California  
 Moraga, California |
| Graduated:    | 1996                   |
ACKNOWLEDGMENTS

I am extremely grateful and honored to have been a member of cohort MNA1101. It is because of our class that I have accomplished this research and have remained motivated throughout its many challenges.

My most sincere appreciation goes to Carol Silverman, Director of Research at INOM. If it were not for your consistent encouragement and belief in me, I would not have had the confidence to achieve this goal. I thank you for your undying support throughout this entire project.

I would like to thank Michael Ferrigno, my reader, for always being there when I needed help and for being a mentor I could always admire.

Special thanks also goes to Janice Gow Pettey. Thank you for your advice and support throughout this process. It has been a privilege getting to know you.

Finally, my most grateful thanks and appreciation goes to my family. I would like to thank my mother and sister for their unending support. I would not have gotten through the past two and a half years of graduate school without your encouragement. This thesis is the culmination of everything you have both taught me: never give up your dreams!
LIST OF TABLES

Table 3.1  Mailing response rates
Table 3.2  Histogram of undergraduate enrollment
Table 3.3  Percentage of Senior Class Giving Programs
Table 3.4  Senior-class giving participation rates for fiscal years 1999-2000, 2000-2001, 2001-2002
Table 3.5  Alumni giving participation rates for fiscal years 1999-2000, 2000-2001, 2001-2002
Table 3.6  Percentages of on-campus students
Table 3.7  Mean for senior-class giving and first year alumni giving for fiscal years 1999-2000, 2000-2001, 2001-2002
Table 3.8  Levene’s Test for Equality of Variances: With and without senior-class giving programs
Table 3.9  Mean enrollment for universities with and without senior-class giving programs
Table 3.10 Levene’s Test for Equality of Variances: Senior giving and undergraduate enrollment
Table 3.11 Mean senior giving program with on and off-campus students
Table 3.12 Levene’s Test for Equality of Variances: Senior giving and on-campus students
Table 3.13 Pearson correlation coefficient to determine correlation between increased percentage of undergraduate senior giving and first year alumni giving
Table 3.14 Pearson correlation coefficient to determine correlation between undergraduate enrollment and first year alumni giving
Table 3.15 Pearson correlation coefficient to determine correlation between on-campus students and first year alumni giving
Table 3.16 Mean for senior-class giving pledges received and first-year alumni giving
| Table 3.17 | Levene’s Test for Equality of Variances: senior giving programs in which pledges are accepted |
| Table 3.18 | Pearson correlation coefficient to determine correlation between multiple variables |
| Table 3.19 | Pearson correlation coefficient controlling for on-campus students and including senior-class giving, cost per student and first-year alumni giving |
| Table 3.20 | Pearson correlation coefficient controlling for on-campus students while including cost per student for first-year alumni giving |
| Table 3.21 | Pearson correlation coefficient controlling for on-campus students while including senior-class giving for first-year alumni giving |
| Table 3.22 | Path Analysis |
LIST OF APPENDICES

Appendix A: Regression Analysis for Additional Independent Variables

Appendix B: Survey Questionnaire

Appendix C: Consent Letter
INTRODUCTION

Annual giving programs at universities and colleges strive to increase alumni participation rates each year. It is a goal set by most universities. Acquiring and retaining alumni donors is also a top priority for annual giving staffs because annual giving is where, for the most part, the donor relationship begins. According to Rosso, “the annual fund is the cornerstone and the key to success for all aspects of the resources development program” (p. 51). Future major gift solicitations can be built from the established relationships made by a successful annual giving program.

In addition to participation goals, most annual giving programs strive to raise the necessary funds to meet a percentage of the operational expense needs of a campus. Universities and colleges are heavily dependent on alumni support for annual financial stability. Alumni contributions help provide scholarships to needy students while assisting in the daily needs of operations. In addition, annual giving programs build the foundation of support that larger fundraising campaigns can be built upon. Annual giving “is the one approach that best prepares your organization for the future, through strong finances and increased capability” (Graham, 1992, p. 11).

Area of Study

To ensure strong alumni participation rates among alumni, Development staffs believe the habit of giving back must begin as early as possible. Ideally, the first gift should be made within the first year out of college. “Successful annual giving programs are based on developing a habit of giving annually” (Nichols, p. 253; (cited in Rowland, 1986)).
Creating the habit of giving back can be one of the most difficult challenges for an annual fund staff, but one of the most important. The habit of making a financial contribution to a university or college is not a natural one; it must be learned. Campuses place a strong emphasis on teaching the importance of giving back to one’s own alma mater through various means. Educational brochures, solicitation packages, and “phonathon” programs are conducted to educate alumni on the importance of giving back. Though these programs have made a difference for many campuses, more must be done to meet the growing needs of educational institutions. “Annual giving solicitations are important cultivation events in the life cycle of major donors. Large gifts, particularly bequests, rarely come from those who have not had long and positive histories of annually supporting an institution” (Nichols, p. 254, cited in Rowland, 1986).

A program that has been implemented in many annual giving campaigns is the senior gift. This type of program has been established to engage undergraduate seniors in the process of charitable giving while educating them on the importance of supporting their campus as alumni. As stated earlier, since major gifts come from annual donors most of the time, universities should place an emphasis on creating means for students to get involved in the process of fundraising as early as possible. The beliefs held by many annual fund staffs are that senior-class giving programs conducted on campuses can significantly increase first-year alumni giving participation by teaching the importance of giving back. This belief is as yet untested.

Senior-class giving programs on college campuses vary. The basic methods of solicitation include direct mail and telemarketing. There may also be events, competitions, and challenge grants established to increase the likelihood of a senior
making a gift. The main purpose of a senior-class giving program, however, is the same: to educate the student about the importance of giving and making a financial contribution. Once seniors have made their first gift it is believed that they will more likely continue supporting the campus financially in the future, especially as first-year alumni donors.

Statement of Question

To be able to make a recommendation concerning the effectiveness of senior-class giving programs it is necessary to research the question: Is there a direct correlation between undergraduate senior-class giving programs and first-year alumni giving?

Senior-class giving programs have been implemented at many colleges and universities, but the belief that they enhance alumni giving has no supporting statistical data. Many Alumni Relations staffs currently work with undergraduate students with the goal of creating a continuing relationship between the campus and the student. They have also implemented young alumni activities into their programs to further encourage participation with the campus, thereby increasing the likelihood of a financial commitment. "Even though the dollar amounts are considerably less, projections indicate that the potential for the future is indeed positive if these younger alumni are cultivated properly" (Barrett, p. 424; Rowland, 1986).

Not only is creating the habit important; it is also easier to retain a donor than to acquire a new one. According to Lord (1983, p.49), "experience shows that the best prospects for the immediate future are those who have given in the past" (cited in Kelly, 1998). Acquiring the donor earlier on in the fundraising process will increase the likelihood of continuous support for the institution. Alumni loyalty plays a large part in
acquiring financial support year after year. “The more consecutive years a donors has given, the higher the average gift from that donor” (Cardillo, p. 29; Currents, May/June 2000).

Importance of the Study

Little research has been conducted to reveal the senior-class giving impact on alumni giving. The widely held belief among universities is that senior-class giving programs enhance alumni participation rates but no study has been completed to uphold it. It is important, then, to create a body of knowledge on how to best interpret the long-term effects of senior-class giving. Colleges and universities can benefit from knowing whether it is best to engage students in the search for increased alumni participation.
CHAPTER ONE: REVIEW OF LITERATURE AND DELINNIATION OF PROBLEM

Philanthropic Traditions

Acts of charity have been witnessed throughout the course of history. Within the United States forms of voluntary associations have been developing since its earliest beginnings. These voluntary associations have served many purposes over time but have been consistently present within American society. Philanthropy plays an important part in what makes up the societal roles of Americans.

Almost all aspects of life are impacted by acts of philanthropy. As found in the Handbook of Institutional Advancement, "those areas of our national life that are most reflective of our humanity, that are most illustrative of our religious and cultural heritage, that best exemplify our most important civilizing influences, that demonstrate our love and concern and compassion for our fellow human beings were made possible, to a very large degree, by philanthropy" (Fricke, 1986, p. 362). Whether it is in education, in healthcare, or in the arts, philanthropy has made a difference.

According to the study Giving and Volunteering in the United States 2001, Key Findings, "for the 1.23 million charities, social welfare organizations, and religious congregations in the United States, giving and volunteering is at the heart of citizen action and central to their ability to serve their communities" (p. 1). Without the financial support and time of volunteers, the needs of many would go unmet. Society is dependent on the generosity of others and most Americans do support charity.

The 2001 Giving and Volunteering study by the Independent Sector found that 89 percent of all households in the year 2000 made charitable contributions with an average household contribution of $1,620 (p. 2). Of the survey respondents, 42 percent stated that
they both made financial contributions and volunteered while another 46 percent reported
that they had only made a financial contribution. In addition, 56 percent of all households
were solicited for a financial contribution of some kind. Of the households that received a
solicitation, 95 percent actually made a gift, compared with only 79 percent of those that
had received no formal solicitation.

Not only do Americans participate in the charitable sector by donating funds and
volunteering time; they also share the belief that charities improve their lives and
communities. As reported in “Taking the Pulse of Americans’ Attitudes Toward
Charities,” a survey found that in 1999 seventy-six percent of survey respondents
believed that “charities play a major role in making communities better places to live”
(Saxon-Harrold, 2001, p. 1). Charities are believed to benefit communities.

Volunteering in the United States

Another important component of the philanthropic world is volunteerism. Charities of
all kinds depend on volunteers for assistance. Without volunteers most charities would be
unable to operate successfully. As found in the 2001 Giving and Volunteering study, in
the year 2000 forty-four percent of adults in the United States volunteered their time.
That amounts to 83.9 million adult volunteers. These volunteers account for 15.5 billion
hours annually, valued at $239.2 billion. The savings to charitable organizations are
significant. Most organizations simply could not pay salaries for the services provided by
volunteers.

In addition to the necessity of volunteers for charities, those adults who volunteer are
much more likely than those who do not to make financial contributions as well. Through
various activities the volunteers are involved in they see at first hand what a charity can
do for a community and are more inspired to support them financially. From volunteers, the average household financial contribution was $2,295 annually, versus $1,009 from non-volunteering households (Independent Sector, 2001). Volunteers are also participating with a group, which creates a need for inclusion. Individuals want to be part of something and giving back to society provides a means towards that end. Group dynamics can encourage financial contributions, volunteerism, and camaraderie.

Another approach to volunteerism is the concept of collectivistic volunteerism. Eckstein states that “collectivistic-based volunteerism involves acts of generosity that groups (rather than individuals) initiate, inspire, and oversee; individuals participate because of their group ties” (2001, p. 1). A community can encourage individuals to get involved and a sense of needing to be a part of the community encourages participation. It is not always the needs of individuals that provoke volunteerism but the community at large that does so.

There are five distinct characteristics of collectivistic-rooted volunteerism as defined by Eckstein (2001). First, groups determine the activity to become involved in, what will be contributed, when it will occur, how it will be handled, who will benefit, and why it is important. Second, this type of volunteerism is always group-induced regardless of what the individual reasons may be for volunteering or giving back to the community by the participant. Third, group resources are used which may be money, labor, materials, etc. Fourth, giving is determined by group norms and by the groups’ own activities. Finally, this type of group giving affects individuals’ giving within the group, which may be for reasons that differ from those for which the group as a whole is contributing.
Participation within a group helps validate the reasons for being philanthropic. It provides the means for getting involved, it decides for individuals what to support, and it rewards individuals for participating. Group activity simplifies charitable behavior.

Motivations for Giving

There are a variety of reasons for an individual to make a financial contribution. According to research conducted by Prince and File there are “the Seven Faces of Philanthropy.” Donors can be placed into one of the seven areas identified so fundraisers can better learn how to work effectively with them. The following chart defines the breakdown of donor motivations:

According to Prince and File:

Communitarians, the largest segment (26.3), give because it makes good sense to do so…. The other reason Communitarians believe active philanthropy makes good sense is that they help their own communities prosper by supporting local charities…. The Devout are motivated to support nonprofits for religious reasons; they say they believe it is God’s will for them to help others…. Investors are affluent individual donors who give with one eye on the nonprofit cause and one
eye on personal tax and estate consequences.... Socialites find social functions benefiting nonprofits an especially appealing way to help make a better world and have a good time doing it.... Altruists embody the popular perception of the selfless donor—the donor who gives out of generosity and empathy to urgent causes and who modestly “wishes to remain anonymous”.... Repayers tend to have been constituents first and donors second. A typical Repayer has personally benefited from institution, often a school or medical center, and now supports that institution from a feeling of loyalty or obligation.... The philanthropic motivation of Dynasts stems from their socialization. Giving is something their family has always stood for and they believe it is expected of them to support nonprofits (Prince & File, 1994).

All donors can be classified under one of the above categories. For some it may be a sense of altruism, for others it may be self-interest, and for some it may be for a deduction on their income taxes. Susan Rose-Ackerman identifies some donor motivations for giving: “Motivations for giving are inextricably linked. One can obtain prestige from making a gift only if others view one’s action as worthy. If the narrow private benefits of gift giving are too obvious and large, gift givers will not be praised for the self-sacrifice” (Rose-Ackerman, 1996, p. 6).

In addition to the motivations identified by Rose-Ackerman, some donors see giving as a part of life. It is what humans should do as good citizens and the joy of helping others is enough. Brown (1994, p. 1) suggests that “giving inspires a passion and a joy that cannot be easily explained in logical terms.” For most donors many of the factors identified above are involved in the decision making process. In addition, other factors
may be involved, such as what others in their community are supporting. Other groups may affect what an individual will do. It is not usually for one reason alone that a person makes a contribution, but for a combination. Regardless of the donor’s reason for making a contribution the importance to the charitable organization is that the gift is made and that it begins a lifetime relationship with the donor.

**Lifetime Giving and Donor Loyalty**

While acquiring donors is essential to any annual giving program it is just as important to retain the donors you already have and to create a sense of donor loyalty within the university. “A non-profit organization requires long-term, lifetime support from its constituents. Non-profits seek to form long-term relationships with customers to increase donor loyalty and increase participation in activities” (Heckman and Guskey, 1998, p. 4).

To enhance the donors’ loyalty to the university the process of forming a relationship with them must begin early. Heckman and Guskey state that “strengthening ties with former students enables universities to not only collect donations more effectively, but also encourages active participation of the alumni. There is evidence that former students often perceive their relationship with their alma mater as a long term lifecycle” (1998, p. 4). The attitude with alumni already exists that the relationship they have formed with their alma mater is for a lifetime. An educational process must occur which teaches alumni that a part of their relationship with their alma mater is making a financial contribution every year.

To begin the gift-giving pattern it is wise to begin with small requests. For example, “foot-in-the-door (FITD) is a compliance technique that begins with asking a person to
comply with a small request. Compliance with the small request enhances the probability of compliance with a larger request later” (Girandola, 2002, p. 1). Starting out small may lead to more significant and more consistent gifts later from alumni.

Brief History of Annual Giving at Universities

Annual giving at universities can be traced back to the late 1800’s. “The tradition of alumni support for alma mater began in 1869 when Bowdoin College in Maine established an alumni fund. Bowdoin alumni volunteers set out “first, to secure a Fund and second, to interest all alumni in the success of the College” (Williams, 1981, p.5). The Bowdoin fund was successful in raising nearly $15,000 before its demise in the late 1870s. In 1890, Yale began its annual giving program which became the role model for all private colleges and universities to secure voluntary support from alumni” (Fowler, 1989, p. 30-31). Annual giving at colleges and universities across the country has become one of the staples of most development programs.

Importance of Alumni Participation at Universities

“Voluntary support frequently provides the margin of excellence, the element of vitality, that separates one institution from another…” (Leslie and Ramey, 1988, p. 1). Competition for students exists between institutions of higher education. Each school is seeking the best and the brightest students for enrollment. Alumni voluntary support helps in this area by providing funds to enhance the university’s reputation. According to Chamberlain (1944) “it is the extent of the gifts a school receives for buildings, endowment, and current expenses that enables it to maintain exceptionally high standards and do much of its most significant work” (p. 8). Alumni support is vital.
In addition to what contributions can do to enhance the identity of a campus they are also an important part in assisting with budgetary needs. Budgetary support is one of the most critical issues of concern for universities.

Voluntary support is becoming the only source of real discretionary money and in many cases is assuming a critical role in balancing institutional budgets. As other sources of funding become more difficult to expand, voluntary support will assume an increasingly important role as institutional expenses continue to rise. (Leslie and Ramey, 1988, p. 1-2)

As financial expenses of universities continue to grow, the need for alumni support is becoming more important each year.

Besides the financial support that alumni can provide, their contributions signify their belief in and support of their alma mater. Rankings of universities nationwide take into account alumni participation rates as an indicator of university success. In addition, alumni giving exhibits trust in a university by showing that alumni support what it is doing. “Alumni giving is significant because it demonstrates that those who enjoyed the benefits of what a school had to offer believe in it and support it financially” (Fowler, 1989, p. 30). Alumni who are willing to support their alma mater financially are not only appreciative of what they received as students, but also want to ensure that the university’s future remains strong.

Factors Affecting Giving at Universities

Size, institutional reputation, national rankings, academics, and athletics can all affect alumni giving at universities. Depending on the institution itself, certain of these factors may be more predominant at one university as opposed to another.
The size of the institution strongly determines alumni donations. The largest institutions get the most alumni support in total dollars, but the amount of support per graduate is less than at smaller colleges. Liberal-arts colleges generate approximately 25 percent more support per alumnus than do doctoral-granting institutions. This suggests that the affinity that a student feels for the institution is a function of its size. (Baade and Sundberg, 1993).

Institutional reputation is another important stimulus to alumni giving. “Our findings also strongly indicate that alumni are more likely to contribute if their alma maters are held in high public regard” (Baade and Sundberg, 1993). An item such as the U.S. News and World Report annual rankings of individual universities impacts the reputations of campuses. This not only impacts the process of acquiring new students but it also affects how alumni feel about their alma mater. The better the ranking, the more pride an alum will hold for their university and the more likely they will be to contribute.

Academic reputation includes the measure of student quality. “A school with incoming freshmen that average 100 points higher on the SAT exam appears to receive 34% more in mean total support per student and 51% more in mean alumni support per student” (Rhoads and Gerking, 2000, p. 7). According to the Rhoads and Gerking study, the ranking of faculty members does not appear to make a difference in regards to alumni contributions.

“Athletic tradition also has a positive impact on both total and alumni contributions, although the effect of participation in football bowl games is larger than that for NCAA basketball tournament appearances” (Rhoads and Gerking, 2000). Though less important
than academic reputation, athletic excellence does impact alumni support of higher education.

Individual alumni donors will be affected by the various reasons stated above, but alumni reasons for contributing are different from those of other groups making gifts to institutions of higher education.

Alumni carry close social and emotional ties with their institutions. The contribution of an alumnus to his or her institution may bear little relation to educational benefits for society. The rationality of an alumnus will instead involve his or her reputation as reflected in the prestige of the alma mater, a desire to repay the institution for education, or a heightened recognition of the academic benefits provided by the institution. (Leslie and Ramey, 1988, p. 121)

Higher education donors

In 1980-81 institutions of higher education obtained charitable contributions from six principle sources according to Leslie and Ramey (1988).

1. Alumni – 24.8%
2. Non-alumni individuals – 23.8%
3. Foundations – 21.8%
4. Business corporations – 18.4%
5. Religious denominations – 3.3%
6. Other – 7.9%

Individual contributions account for more than 48 percent of all giving to higher education institutions. Of that 48 percent, more than half comes from alumni support, which is a crucial aspect of any fundraising program at a university. Time and money
must be spent to ensure a successful maintenance of alumni donors and a continual increase of alumni participation.

To encourage greater alumni participation it is important to start early on in the alums’ lifecycle.

There are three key factors that encourage young people to give:

1. Better advancement programs are bringing in more gifts from all age groups.
2. New technology is helping fund raisers find and reach young alumni.
3. More graduates are making money sooner.

(Goldberg, 1988, p. 9 (cited in Fowler, 1989))

It is important to not overlook young alumni giving potential. For many, it is a matter of becoming more aware of the fundraising opportunities at universities and for the development staff to become more involved with young alumni.

Summary of Literature

This review of literature has presented some of the historical background that has led to successful fundraising at institutions of higher education. From the earliest traditions of philanthropic behavior witnessed over the course of American history we have seen philanthropic activity grow. Charitable organizations ranging from the arts to education have been dependent upon philanthropic support and continue to be so today.

Society as a whole believes in the need for philanthropy. The great majority of Americans contribute each year to charitable organizations. They also believe that charities are making the communities they live in a better place. Americans’ attitudes towards charitable organizations have helped many people over time.
Not only have we seen that Americans contribute financially but they also volunteer their time. Volunteers are more likely to give back financially than those who do not. For many, collectivistic based volunteerism has enabled people to participate in a group for the greater good. A group allows individuals to accomplish greater things and feel a sense of pride in belonging to something worthy. It helps individuals by making decisions for them so that they may be free to get involved. The group works as a whole rather than separately as individuals; a sense of security can come from this type of activity.

Motivations for giving vary from donor to donor as evidenced in the reviewed literature. It is most common that a variety of reasons exist for a donor making a contribution. One of those motivations enhances the reasons for universities to seek alumni support. Alumni especially want to give back to their alma mater for what they received as students and to enhance the value of their own degree. There is more than one reason to support any university and every donor will have his or her own version of why they do so.

Universities are counting on alumni support more than ever as budgetary expenses continue to grow. Budgetary support is crucial to achieve excellence in education for any institution of higher education. To ensure this, increases in alumni participation are becoming more important every day. Alumni believe in the mission of their alma mater and universities need to capitalize on this belief.

To increase alumni participation, universities will always be looking for new ways to approach alumni. As noted earlier in this chapter, young donors must be reached earlier in the lifecycle of giving. This important factor led to the present research project.
Universities are exploring ways of attracting younger donors to their campuses but little research has been done to address this need.

Statement of Research Question and Additional Analysis

This research project addresses the important concerns of higher education institutions by asking the question: is there a direct correlation between undergraduate senior-class giving programs and first-year alumni giving participation?

To further determine the factors that influence first-year alumni giving participation the following hypotheses were pursued:

1) The higher a university’s undergraduate enrollments, the more likely it is to conduct a senior-giving program.

2) The higher the proportion of its students a university has living on-campus, as opposed to off-campus, the more likely it is to conduct a senior-class giving program.

3) The higher the percentage of undergraduate seniors who make a gift through their senior-class giving program, the higher the participation rates in first-year alumni giving will be.

4) The higher the undergraduate enrollment, the greater the participation rate in first-year alumni giving will be.

5) The higher the percentage of students living on-campus, the higher will be the participation in first-year alumni giving.

6) Offering pledge-making as an alternative to gift-giving in senior-class giving programs will increase the participation rates in first-year alumni giving.
In pursuit of the above goals it was essential to identify the mean values of the following variables: senior-class giving programs, senior-class giving rates, first-year alumni giving rates, undergraduate enrollments, and percentage of on and off-campus students.

Definition of Variables

Direct mail: the method of solicitation which utilizes fundraising letters through the mail.

Events: special events held to raise funds for a university.

Face-to-face solicitation: method of fundraising utilizing in-person, one-on-one contact.

First-year alumni giving rate: the percentage of a specific alumni class who have been out of school no longer than one year who made a contribution.

Location: the geographical location of a university.

On-campus students: students who live in on-campus housing provided by a university.

Pledge: method of payment used for making contributions, whereby payments are made in installments instead of all at once.

Senior gift program: a program operated at the traditional undergraduate senior level that encourages financial contributions from members of the senior class. It may involve such things as direct mail, telemarketing, or the holding of events.

Senior-class giving rate: the percentage of a senior class who made a contribution.

Undergraduate enrollment: number of traditional undergraduate students attending a university in a given year.

Telemarketing: method of solicitation utilizing telephone calls for fundraising.
Contribution to the Field

There has been a lack of research on the impact of senior-class giving programs on alumni participation. Though alumni participation is a top priority for most universities, little has been done to discover new means of increasing it. Individual schools have implemented programs designed to encourage senior participation, but research has not been conducted to study the effectiveness of these programs.

This research project has sought to determine whether a direct correlation does exist between senior-class giving programs and first-year alumni participation. Its findings should assist universities in meeting their own fundraising challenges by identifying whether these programs are successful and whether they are worth the effort of implementing them.

In addition to assisting universities across the country in their own fundraising programming, it should also contribute to the theoretical literature on the importance of early giving on later donor behavior.

Education is an important sector in the dynamic of American society. Education helps guide the country's future success. The financial challenges to education are making it more important to operate successful fundraising programs. With alumni support leading the way in educational giving it is important to remain alert to new trends and practices within the field. It is hoped that the findings from this research will add a new piece of information that will assist educational institutions in evaluating and determining the most effective ways of fundraising with young alumni.
CHAPTER TWO: METHODOLOGY

Research Design

"Is there a correlation between undergraduate senior-class giving programs and first year alumni giving participation?" To study this hypothesis it was necessary to conduct a comprehensive survey. Utilizing universities as the unit of analysis, a questionnaire was completed and sent to a number of universities across the United States for completion.

A cross-sectional study was used to take a snapshot look at various universities at the same point in time over three fiscal years. This type of study allows recommendations to be made to a significant number of universities rather than on a case-by-case basis. To conduct this type of study it was important to study a number of universities some of which did, and some of which did not, operate a senior-class giving program, in the same fiscal years and to test the impact, in the respective cases, on first-year alumni giving rates.

Subjects

To limit the number of universities surveyed, only private universities and colleges within the continental United States were studied. These universities were limited to those with traditional undergraduate enrollments between 2,000 and 10,000. Using institutions of a limited size-range was more likely to provide comparable information, since very large and very small institutions may provide somewhat different educational experiences for their students, thus potentially producing different reasons for contributing. The 2,000–10,000 range was important because it represented a significantly large number of the universities in this country. Many of these universities have been faced with challenges that differ from those of the larger universities. Budgets
can be more of a challenge for institutions of moderate size compared to those that have more than 10,000 students. Compared to the campuses with less than 2,000 students, loyalty and bonding to institutions of this size may be more difficult to achieve. Each size of campus has its own challenges but finding improved fund-raising means specifically relevant to campuses of these various sizes can make an important difference.

Operational Definitions of Concepts and Variables

A questionnaire was used to study the variables that were presented in chapter one. The following variables were analyzed.

The incidence of senior-class giving programs was identified in question number two of the survey sent to universities. Knowing whether or not a senior-class giving program existed on a campus was the first step towards determining whether or not a correlation existed between senior-class giving programs and first-year alumni participation.

To determine how strong an association was, it was necessary to know the senior-class participation rates in senior-class giving of those institutions conducting such programs. This information was elicited in question ten of the survey. Data giving the percentage rates of senior-class participation for a three-year giving period could then be compared with data for first-year alumni participation rates. In addition, for all institutions, both those with and those without senior-class giving programs, question six aimed to identify the first-year alumni participation rates for a three-year giving period. This aimed to test whether a correlation existed between the percentage of seniors who gave while still in school and first-year alumni who made a contribution.
Undergraduate enrollment totals were drawn from *US News and World Report* data for use in assessing the relationship between size of the school and first-year alumni participation rates.

In question one of the survey the percentages of on-campus, versus off-campus, students were identified, senior-class with the goal of assessing whether or not students' living situations influenced their contribution rates as either students or alumni.

Pledges were one final variable researched in both questions one and two. Not all universities conducted pledge programs for their senior-class giving programs. Identifying whether those schools that did permit them had greater participation rates could help those campuses contemplating the implementation of a pledge system to make a more educated decision.

Study of all the above variables provided the necessary information to make informed recommendations to development staffs across the country.

**Procedures**

**Step 1: selecting subjects**

To identify at least 200 universities I gathered information from the *US News and World Report* online edition of America's Best Colleges, 2003, and through comprehensive website listings of United States universities and colleges. Once a thorough list of universities had been compiled I investigated the individual schools to determine whether or not a senior-class giving program existed and to identify a contact. This was done by visiting university websites and/or contacting campuses by phone. I also limited the universities to private universities with traditional undergraduate
enrollments between 2,000 and 10,000. Once the research was completed, 207 universities had been selected.

**Step 2: gathering data**

Data were gathered through the use of a confidential questionnaire, sent to 207 universities. One week later, a postcard reminder/thank you was sent to all recipients. Two weeks following the postcard, another copy of the questionnaire was sent to all those who had not yet responded.

**Treatment of Data**

**Overview of sample:**

A basic description of the sample received from the universities surveyed is necessary to understand the data analysis. The following variables can be described as follows:

1) Senior gift programs. The mean incidence was determined to identify the percentage of universities which conducted senior-class giving programs and the percentage that did not.

2) Senior-class giving. The mean participation rate was determined to identify the average percentage of seniors at universities who made a contribution.

3) First-year alumni giving. The mean participation rate was determined to identify the average percentage of first-year alumni at universities who made a contribution.

4) Undergraduate enrollment. The mean enrollment was determined.

5) On-campus students. The mean was determined to identify the average percentage of students who lived on campus and the average percentage who did not.
Hypotheses Investigated

In the following cases where two independent sample means were compared, a Two-sample T test for difference of means was used together with a Point Biserial Correlation Coefficient. The Two-sample T test determined whether the difference between sample means qualified as a common or rare outcome. In the cases where both variables were interval, a Pearson's correlation coefficient, r, was used. The correlation coefficient tested for whether there was an association between the two variables. The formula computed a number between −1 and 1 that described the linear relationship between the variables. A score closer to 1 determined a stronger association. Also, an associated significance level was calculated.

1) Universities that run senior-class giving programs will have higher participation rates in first-year alumni giving than those that do not.

To test this hypothesis I used a Two-sample T test. The Two-sample test was used because the level of measurement for the independent variable was a dichotomy and the measurement for the dependent variable was interval. The Two-sample T test determined whether the observed difference between sample means was significant, that is, whether it could be generalized to the larger population of schools. It determined whether there was a significant difference in rates of participation in first-year alumni giving between schools that conducted senior-class giving programs and schools that did not.

To then determine how strong the association was between the senior-class giving programs and first-year alumni giving participation rates, I computed a Point Biserial Correlation Coefficient.
2) The higher a university’s undergraduate enrollments, the more likely it is to conduct a senior-class giving program.

To test this hypothesis I used a Two-sample T test to measure significant differences. As well, I used a Point Biserial Correlation Coefficient to ascertain the strength of association.

3) The higher the proportion of its students a university has living on-campus, as opposed to off-campus, the more likely it is to conduct a senior-class giving program.

To test this hypothesis I used a Two-sample T test to measure significant differences. As well, I used a Point Biserial Correlation Coefficient to ascertain the strength of association.

4) The higher the percentage of undergraduate seniors who make a gift through their senior-class giving program, the higher the participation rates in first-year alumni giving will be.

To test this hypothesis I used a Pearson correlation coefficient, r, because the levels of measurement for both the independent and dependent variables were interval. The correlation coefficient tested for whether there was an association between the participation rates of undergraduate seniors with those of first-year alumni. An associated significance level was also calculated.

5) The higher the undergraduate enrollment, the greater the participation rate in first-year alumni giving will be.

To test this hypothesis I computed a Pearson correlation coefficient, r. As well, an associated significance level was calculated.
6) The higher the percentage of students living on-campus, the higher will be the participation in first-year alumni giving.

To test this hypothesis I computed a Pearson correlation coefficient, r. As well, an associated significance level was calculated.

7) Offering pledge-making as an alternative to gift-giving in senior-class giving programs will increase participation rates in first-year alumni giving.

To test this hypothesis I used a Two-sample T test used to measure significant differences. A Point Biserial Correlation Coefficient ascertained the strength of association.

Finally, when either size of undergraduate enrollment or percentage of on-campus students was correlated with either the presence of a senior-class giving program or the percentage of senior or first-year alumni giving, a multivariate analysis was conducted. The Two-sample T-test for difference of means was rerun, controlling for size or for percentage of students on campus.

Limitations

Particular limitations were a possibility in this research. Setting limits on the size of enrollment may have affected some results. While all universities seek to improve alumni giving, the findings in this research may not apply to all sizes of schools. Those schools with more than 10,000 students provide a dramatically different experience to their students than those with only 2,000. Conclusions reached in this study may not translate into usable knowledge for schools with larger student enrollments or smaller ones. In addition, schools of these sizes may be very similar in nature to each other therefore enhancing the likeliness of programs and giving patterns.
An important limitation to note while interpreting the coefficients above is that a strong association does not necessarily mean that the seniors who are giving before graduation are those who are giving afterwards. It is patterns that are being identified, not individual behaviors.

It is possible that results could be skewed by a tendency on the part of respondents to distort data in order to enhance the appearance of their own programs. There is no real benefit to any participating survey member to have reported false data, but it may have occurred.

A final, possible distorting factor was the relative wealth of the different universities, which could have led to more funding for senior-class giving or fundraising programs. The wealth of individual students at particular schools might also have been a factor, but this is likely to have been mitigated by the large numbers involved.
CHAPTER THREE: RESULTS

Population Studied

To acquire the data needed to complete this research, I mailed questionnaires to contacts identified at 207 private universities and colleges within the continental United States. An initial mailing was sent to all contacts. One week following the mailing, a postcard reminder was sent to all recipients. Two weeks following the postcard, a third mailing was sent to all contacts who had not yet responded. The third mailing included a second copy of the questionnaire and a letter requesting their assistance. The majority of the responses came from the first mailing as seen below.

Table 3.1: Mailing Response Rates

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Mailing</td>
<td>65</td>
<td>50.0%</td>
</tr>
<tr>
<td>Second Mailing</td>
<td>34</td>
<td>26.2</td>
</tr>
<tr>
<td>Third Mailing</td>
<td>31</td>
<td>23.8</td>
</tr>
<tr>
<td></td>
<td>130</td>
<td>100%</td>
</tr>
</tbody>
</table>

Fifty percent of the selected population responded from the first mailing. More than 26% responded from the second mailing of a postcard, and more than 23% responded from the third and final mailing. The total response rate was 63%.

The universities were limited to those with traditional undergraduate enrollments of between 2,000 and 10,000. The histogram below shows that the mean for undergraduate enrollment was 3,421.7 for the population.

Table 3.2: Histogram of undergraduate enrollment
Initially, the population sample was to be equal numbers of universities with and without senior-class giving programs. As identified below, the majority of universities did conduct senior-class giving and therefore I was unable to have equal numbers with and without programs.

Table 3.3: Percentages of Senior-class Giving Programs

<table>
<thead>
<tr>
<th></th>
<th>Percent</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
<td>20.8%</td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>79.2%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Of the 130 questionnaires returned 79.2% represented universities which conducted senior-class giving programs while only 20.8% did not.
Univariate Findings

To understand the relationship between senior-class giving programs and first-year alumni giving, it is important to know the historical giving information for the following fiscal years. The fiscal years reported were 1999–2000, 2000–2001, and 2001–2002.

Table 3.4: Senior-Class Giving Participation Rates

<table>
<thead>
<tr>
<th></th>
<th>Percentage of senior class giving in 1999–2000</th>
<th>Percentage of senior class giving in 2000–2001</th>
<th>Percentage of senior class giving in 2001–2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number</td>
<td>Valid</td>
<td>Missing</td>
<td>Missing</td>
</tr>
<tr>
<td></td>
<td>81</td>
<td>49</td>
<td>130</td>
</tr>
<tr>
<td></td>
<td>83</td>
<td>47</td>
<td>130</td>
</tr>
<tr>
<td></td>
<td>90</td>
<td>40</td>
<td>130</td>
</tr>
<tr>
<td>Mean</td>
<td>32.3062%</td>
<td>32.2346%</td>
<td>33.7703%</td>
</tr>
</tbody>
</table>

The percentage of seniors who contributed, at schools that did conduct a senior-class giving program, remained fairly constant over the past three years with the exception of a small increase in the most recently reported fiscal year. More than 32% of seniors were making a financial contribution to their alma mater before graduating. It is important to note the high number of missing data for the three fiscal years.

The figures for first-year alumni who contributed also remained fairly constant but with minor decreases in the percentages for the 2000–2001 and 2001–2002 fiscal years.

Table 3.5: Alumni Giving Participation Rates

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number</td>
<td>Valid</td>
<td>Missing</td>
<td></td>
</tr>
<tr>
<td></td>
<td>94</td>
<td>36</td>
<td>94</td>
</tr>
<tr>
<td></td>
<td>95</td>
<td>35</td>
<td>94</td>
</tr>
<tr>
<td></td>
<td>130</td>
<td>130</td>
<td>130</td>
</tr>
</tbody>
</table>
More than 12.5% of first-year alumni made a contribution to their alma mater. These numbers are extremely important to all university development programs. The minor decline in percentages for most schools can most likely be attributed to increases in the number of their solicitable alumni.

As will be discussed later in this chapter, on-campus students played a significant role in the future of alumni giving. For the population sampled, 41.6% had 75-100% of their students living on campus.

Table 3.6: Percentage of On-Campus Students

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Valid</th>
<th>0-25%</th>
<th>26-50%</th>
<th>51-75%</th>
<th>76-100%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>5.4%</td>
<td>16.9</td>
<td>33.8</td>
<td>40.0</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(130)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Missing (5)</td>
</tr>
</tbody>
</table>

Having such a large percentage of students living on campus will have played an important part in both senior-class and first-year alumni giving.
Findings

Hypothesis 1

Universities that run senior-class giving programs will have higher participation rates in first-year alumni giving than those that do not. A Two-sample T test was first run to determine whether there was an observable difference in first-year alumni giving participation between universities that did conduct senior-class giving programs and those that did not.

Table 3.7: Group Statistics

<table>
<thead>
<tr>
<th>Senior-Class Giving Program?</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Std. Error Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage of alumni giving in 1999-2000</td>
<td>Yes</td>
<td>79</td>
<td>14.3513</td>
<td>11.61004</td>
</tr>
<tr>
<td></td>
<td>No</td>
<td>15</td>
<td>6.6533</td>
<td>4.18328</td>
</tr>
<tr>
<td>Percentage of alumni giving in 2000-2001</td>
<td>Yes</td>
<td>80</td>
<td>13.8246</td>
<td>10.60894</td>
</tr>
<tr>
<td></td>
<td>No</td>
<td>15</td>
<td>6.4133</td>
<td>5.01909</td>
</tr>
<tr>
<td>Percentage of alumni giving in 2001-2002</td>
<td>Yes</td>
<td>80</td>
<td>14.0448</td>
<td>10.31496</td>
</tr>
<tr>
<td></td>
<td>No</td>
<td>14</td>
<td>6.0157</td>
<td>3.75189</td>
</tr>
</tbody>
</table>
Table 3.8: Levene’s Test for Equality of Variances: With and without senior-class giving programs

<table>
<thead>
<tr>
<th>Percentage of alumni giving in 1999-2000</th>
<th>T-test for Equality of Means</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Equal variances assumed</td>
<td>2.527</td>
<td>92</td>
</tr>
<tr>
<td></td>
<td>Equal variances not assumed</td>
<td>4.542</td>
<td>61.344</td>
</tr>
<tr>
<td>Percentage of alumni giving in 2000-2001</td>
<td>Equal variances assumed</td>
<td>2.642</td>
<td>93</td>
</tr>
<tr>
<td></td>
<td>Equal variances not assumed</td>
<td>4.219</td>
<td>42.051</td>
</tr>
<tr>
<td>Percentage of alumni giving in 2001-2002</td>
<td>Equal variances assumed</td>
<td>2.868</td>
<td>92</td>
</tr>
<tr>
<td></td>
<td>Equal variances not assumed</td>
<td>5.254</td>
<td>54.457</td>
</tr>
</tbody>
</table>

As found in the Two-sample T test, a significant correlation between senior-class giving and first-year alumni giving did exist. Measuring significance at the .05 level and below, the significance between senior-class giving and first-year alumni giving for all three fiscal years was less than .0004. This significance does not take into account any other variables present within a senior-class giving program. In addition, even though the number of universities that did not conduct a senior-class giving program was small, the difference between means indicates that a correlation between first-year alumni giving and senior-class giving programs did exist.

To determine how strong the association was between senior-class giving programs and first-year alumni giving, a Point Biserial Correlation Coefficient was computed. A calculation of .25 was found for the 1999-2000 fiscal year. Therefore, senior-class giving programs can explain 25% of the variances of first-year alumni giving in 1999-2000. In
fiscal year 2000-2001, senior-class giving programs can explain 29.7% of the variances of first-year alumni giving. In fiscal year 2001-2002, senior-class giving programs can explain 33.6% of the variances of first-year alumni giving.

**Hypothesis 2**

The higher a university’s undergraduate enrollments, the more likely it is to conduct a senior-class giving program.

**Table 3.9: Group Statistics**

<table>
<thead>
<tr>
<th>Senior Class Giving Program?</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Std. Error Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
<td>27</td>
<td>2715.85</td>
<td>694.083</td>
<td>133.576</td>
</tr>
<tr>
<td>Yes</td>
<td>103</td>
<td>3606.72</td>
<td>1810.438</td>
<td>178.388</td>
</tr>
</tbody>
</table>

As shown above, the mean enrollment for universities without senior-class giving programs was 2,715.85 students. For universities with senior-class giving programs the mean enrollment was 3,606.72. A correlation did exist between the size of the undergraduate enrollment and the presence of a senior-class giving program.

**Table 3.10: Levene’s Test for Equality of Variances: Senior Giving and Undergraduate Enrollment**

<table>
<thead>
<tr>
<th>Enrollmont</th>
<th>T-test for Equality of Means</th>
<th>df</th>
<th>Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Undergraduate enrollment</td>
<td>T</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equal variances assumed</td>
<td>2.503</td>
<td>128</td>
<td>.014</td>
</tr>
<tr>
<td>Equal variances not assumed</td>
<td>3.997</td>
<td>111.245</td>
<td>.000</td>
</tr>
</tbody>
</table>

The level of significance was .000. Since the significance was below the .05 level, an association did exist between enrollment and senior-class giving programs. It can be
determined that the larger the enrollment size, the more likely it was that a senior-class giving program existed.

A Point Biserial Correlation Coefficient can determine the strength of this association. Using the correlation formula .126 or 12.6% of the variance of senior-class giving programs can be accounted for by the size of the undergraduate enrollment.

**Hypothesis 3**

The higher the proportion of its students a university has living on-campus, as opposed to off-campus, the more likely it is to conduct a senior-class giving program.

**Table 3.11: Group Statistics**

<table>
<thead>
<tr>
<th>Senior Class Giving Program?</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Std. Error Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage of On-Campus Students</td>
<td>Yes</td>
<td>99</td>
<td>3.25</td>
<td>.837</td>
</tr>
<tr>
<td></td>
<td>No</td>
<td>26</td>
<td>2.65</td>
<td>.977</td>
</tr>
</tbody>
</table>

**Table 3.12: Levene’s Test for Equality of Variances: Senior giving and on-campus students**

<table>
<thead>
<tr>
<th>Percentage of On-Campus Students</th>
<th>Equal variances assumed</th>
<th>Equal variances not assumed</th>
<th>T-test for Equality of Means</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>T</td>
<td>df</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3.132</td>
<td>123</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2.860</td>
<td>35.228</td>
</tr>
</tbody>
</table>

According to the Two-sample T test there was a strong association between on-campus students and senior-class giving programs. The more students a university had living on-campus, the more likely it was to conduct a senior-class giving program. The association was significantly strong at the .007 level.

The Point Biserial Correlation Coefficient was calculated at .188 or 18.8% that the variance on senior-class giving programs could be attributed to the number of on-campus
Hypothesis 4

The higher the percentage of undergraduate seniors who make a gift through their senior-class giving, the higher the participation rates in first-year alumni giving will be.

As seen in the Pearson correlation coefficient below, there was a significant association between the independent and dependent variables for all three fiscal years represented. The correlation was significant at the .01 level. For all three fiscal years the significance was reported at the .000 level. An association did exist between the percentage of seniors who made a contribution and the percentage of first year alumni who contributed.
Table 3.13: Pearson Correlation Coefficient to determine correlation between increased percentage of undergraduate senior giving and first year alumni giving

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Percent of senior class giving in 1999-2000</td>
<td>Pearson Correlation</td>
<td>1</td>
<td>.876**</td>
<td>.789**</td>
<td>.537**</td>
<td>.592**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>81</td>
<td>79</td>
<td>80</td>
<td>69</td>
<td>69</td>
</tr>
<tr>
<td>Percent of senior class giving in 2000-2001</td>
<td>Pearson Correlation</td>
<td>1</td>
<td>.857**</td>
<td>.567**</td>
<td>.635**</td>
<td>.588**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>83</td>
<td>83</td>
<td>70</td>
<td>71</td>
<td>70</td>
</tr>
<tr>
<td>Percent of senior class giving in 2001-2002</td>
<td>Pearson Correlation</td>
<td>1</td>
<td>.402**</td>
<td>.468**</td>
<td>.568**</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>90</td>
<td>77</td>
<td>78</td>
<td>75</td>
<td>75</td>
</tr>
<tr>
<td>Percent of alumni giving in 1999-2000</td>
<td>Pearson Correlation</td>
<td>1</td>
<td>.864**</td>
<td>.817**</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>94</td>
<td>93</td>
<td>89</td>
<td>89</td>
<td>89</td>
</tr>
<tr>
<td>Percent of alumni giving in 2000-2001</td>
<td>Pearson Correlation</td>
<td>1</td>
<td>.886**</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>95</td>
<td>91</td>
<td>91</td>
<td>91</td>
<td>91</td>
</tr>
<tr>
<td>Percent of alumni Giving in 2001-2002</td>
<td>Pearson Correlation</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
</tbody>
</table>
1999-2000 N

**Correlation is significant at the 0.01 level (2-tailed)**
Hypothesis 5

The higher the undergraduate enrollment, the greater the participation rate in first-year alumni giving will be.

Table 3.14: Pearson Correlation Coefficient to determine correlation between undergraduate enrollment and first year alumni giving

<table>
<thead>
<tr>
<th>Undergraduate enrollment</th>
<th>Percentage of alumni giving in 1999-2000</th>
<th>Percentage of alumni giving 2000-2001</th>
<th>Percentage of alumni giving 2001-2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Undergraduate enrollment</td>
<td>Pearson Correlation</td>
<td>.031</td>
<td>.092</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.769</td>
<td>.375</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>130</td>
<td>94</td>
</tr>
</tbody>
</table>

Percentage of alumni giving in 1999-2000

<table>
<thead>
<tr>
<th>Pearson Correlation</th>
<th>Sig. (2-tailed)</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.864**</td>
<td>94</td>
</tr>
</tbody>
</table>

Percentage of alumni giving in 2000-2001

<table>
<thead>
<tr>
<th>Pearson Correlation</th>
<th>Sig. (2-tailed)</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.886**</td>
<td>95</td>
</tr>
</tbody>
</table>

To test this hypothesis a Pearsons correlation coefficient was conducted. The results show that there was no direct correlation between the size of undergraduate enrollments and first-year alumni giving participation rates. The level of significance was measured at the .01 level. Each of the fiscal years reported produced significance numbers far larger than .01 and therefore was not significant.

Hypothesis 6

The higher the percentage of students living on-campus, the higher will be the participation in first-year alumni giving.

A significant association between on-campus students and participation in first-year alumni giving did exist, as shown in the Pearsons correlation coefficient below.

Table 3.15: Pearson Correlation Coefficient to determine correlation between on-campus
students and first year alumni giving

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Correlation</td>
<td>.361**</td>
<td>.390**</td>
<td>.377**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>N</td>
<td>125</td>
<td>92</td>
<td>93</td>
</tr>
</tbody>
</table>

Percentage of alumni giving in 1999-2000

<table>
<thead>
<tr>
<th>Percentage of alumni giving in 2000-2001</th>
<th>Pearson Correlation</th>
<th>Sig. (2-tailed)</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>.864**</td>
<td>.000</td>
<td>.000</td>
<td>94</td>
</tr>
<tr>
<td>.817**</td>
<td>.000</td>
<td>.000</td>
<td>89</td>
</tr>
</tbody>
</table>

Percentage of alumni giving in 2001-2002

<table>
<thead>
<tr>
<th>Percentage of alumni giving in 2001-2002</th>
<th>Pearson Correlation</th>
<th>Sig. (2-tailed)</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>.886**</td>
<td>.000</td>
<td>95</td>
</tr>
</tbody>
</table>

**Correlation is significant at the 0.01 level (2-tailed)

Significance is measured at the .01 level for all years represented. As is shown in the correlation chart, each year showed a strong association, measured at .000. There was a strong association between the percentages of students who lived on-campus and the rates of contribution among first-year alumni.

Hypothesis 7

Offering pledge-making as an alternative to gift-giving in senior-class giving programs will increase participation rates in first-year alumni giving.

A Two-sample T test was conducted to determine whether there was a significant difference of means between these two variables.

Table 3.16: Group Statistics

<table>
<thead>
<tr>
<th>Senior Giving Pledges?</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Std. Error Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage of alumni</td>
<td>Yes</td>
<td>40</td>
<td>15.0283</td>
<td>12.48278</td>
</tr>
<tr>
<td>giving in 1999-2000</td>
<td>No</td>
<td>43</td>
<td>12.8795</td>
<td>10.48104</td>
</tr>
</tbody>
</table>
In fiscal years 1999-2000 and 2000-2001 most universities within the population did not accept pledges as a form of payment from seniors. In fiscal year 2001-2002 pledges were accepted by more than 50% of the universities. Although there appeared to be a shift in the acceptance of pledges as a means of payment there was no direct correlation between pledges received and participation rates in first-year alumni giving.

The Two-sample T test below measured the level of significance at .01. The three fiscal years represented all had a significance level much higher than .01. There was no association between form of payment and alumni giving.

Table 3.17: Levene’s Test for Equality of Variances: senior giving programs who accept pledges

<table>
<thead>
<tr>
<th>Percentage of alumni giving in</th>
<th>T-test for Equality of Means</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Equal variances assumed</td>
</tr>
<tr>
<td>1999-2000</td>
<td>T</td>
</tr>
<tr>
<td>Yes</td>
<td>.851</td>
</tr>
<tr>
<td>No</td>
<td>.846</td>
</tr>
<tr>
<td>2000-2001</td>
<td>.794</td>
</tr>
<tr>
<td>Equal variances not assumed</td>
<td>.789</td>
</tr>
<tr>
<td>Percentage of alumni giving in</td>
<td>.007</td>
</tr>
<tr>
<td>2001-2002</td>
<td>Equal variances assumed</td>
</tr>
<tr>
<td></td>
<td>-.007</td>
</tr>
</tbody>
</table>
Additional Analysis

As was detailed as a possibility earlier in this thesis, an additional multivariate analysis was necessary due to the fact that the percentage of on-campus students had a direct correlation to alumni giving and also senior-class giving programs. It was therefore necessary to analyze the data while controlling for particular variables, including on-campus student percentages.

The independent variables that needed to be analyzed more closely included on-campus student percentages, the existence of a senior-class giving program, and costs. To begin the comparison it was necessary to create a new variable that produced the midpoint of what each senior-class giving program cost to operate (rcost) and to turn the data into an interval variable. The senior-class giving costs that were reported should be assumed to be the most recent fiscal year expense since individual fiscal year costs were not reported. To remain consistent in findings, the 2001-2002 fiscal year statistics were used to correlate significance with the costs per student. An additional variable was needed to determine on average how much was spent per student (pcostr). Knowing these figures, the correlations that were calculated produced a clearer picture of what was actually occurring between the variables listed above.

The first step was to run a correlation that accounted for all possible variables. As is shown below, senior-class giving programs had a direct correlation to alumni giving, proportions of on-campus students had a direct correlation to both senior-class giving programs and alumni giving, and costs per student had a direct correlation to alumni giving.
Table 3.18: Pearson Correlation Coefficient to determine correlation between multiple variables

<table>
<thead>
<tr>
<th></th>
<th>SEN GIV E</th>
<th>ALGIVE99</th>
<th>ALGIVE00</th>
<th>ALGIVE01</th>
<th>PCOSTR</th>
<th>ONCAMPUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Class Giving</td>
<td>Pearson Correlation</td>
<td>1</td>
<td>.255**</td>
<td>.264**</td>
<td>.287**</td>
<td>.145</td>
</tr>
<tr>
<td>Program</td>
<td>Sig. (2-tailed)</td>
<td>.013</td>
<td>.010</td>
<td>.005</td>
<td>.148</td>
<td>.002</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>130</td>
<td>94</td>
<td>95</td>
<td>94</td>
<td>101</td>
</tr>
<tr>
<td></td>
<td>Percentage of alumni giving</td>
<td>1999-2000</td>
<td>.864**</td>
<td>.817**</td>
<td>.220*</td>
<td>.361**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.005</td>
<td>.049</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>94</td>
<td>93</td>
<td>89</td>
<td>81</td>
<td>92</td>
</tr>
<tr>
<td></td>
<td>Percentage of alumni giving</td>
<td>2000-2001</td>
<td>.886**</td>
<td>.305**</td>
<td>.390**</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.005</td>
<td>.000</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>95</td>
<td>91</td>
<td>82</td>
<td>81</td>
<td>93</td>
</tr>
<tr>
<td></td>
<td>Percentage of alumni giving</td>
<td>2001-2002</td>
<td>.240*</td>
<td>.377**</td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.031</td>
<td>.000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>94</td>
<td>81</td>
<td>92</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Cost spent per student</td>
<td>Pearson Correlation</td>
<td>1</td>
<td>.195</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.055</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>101</td>
<td>98</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Percentage of On-Campus students</td>
<td>Pearson Correlation</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>125</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Correlation is significant at the 0.05 level (2-tailed)
** Correlation is significant at the 0.01 level (2-tailed)
To continue narrowing down the relationship between the variables producing levels of significance, particular independent variables needed to be controlled for. The first control variable was on-campus students.

Controlling for on-campus students and including the variables of senior-class giving programs and costs per student, significance was only present for on-campus student percentages. Senior-class giving programs and costs per student eliminated each other's significance to alumni giving; because of their joint correlation it was impossible to see any correlation if both were included in the model.

Table 3.19: Controlling for On-Campus Students

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>-7.209</td>
</tr>
<tr>
<td></td>
<td>ONCAMPUS Percentage of On-Campus Students</td>
<td>4.752</td>
</tr>
<tr>
<td></td>
<td>SENGIVE Senior Class Giving Program?</td>
<td>4.051</td>
</tr>
<tr>
<td></td>
<td>PCOSTR Costs spent per student</td>
<td>.753</td>
</tr>
</tbody>
</table>

a. Dependent variable: ALGIVE01 Percentage of alumni giving in 2001-2002

Continuing to control for the variable on-campus students but removing senior-class giving programs, costs per student remained insignificant. There was no direct correlation between costs incurred per student and participation rates in alumni giving.
Table 3.20: Controlling for On-Campus Students

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>-3.915</td>
<td>4.229</td>
</tr>
<tr>
<td>ONCAMPUS Percentage of On-Campus Students</td>
<td>4.884</td>
<td>1.256</td>
</tr>
<tr>
<td>PCOSTR Costs spent per student</td>
<td>.753</td>
<td>.473</td>
</tr>
</tbody>
</table>

a. Dependent variable: ALGIVE01 Percentage of alumni giving in 2001-2002

The independent variable costs per student could be eliminated from the equation for not having a significant association with alumni giving.

Continuing to control for the variable on-campus students but removing costs per student, since there was no significant association, senior-class giving programs maintained a significant correlation to alumni giving. Both on-campus student percentages and senior-class giving programs had a direct correlation to alumni giving but the on-campus student significance was stronger than that of the senior-class giving program, as seen below.

Table 3.21: Controlling for On-Campus Students

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>-4.708</td>
<td>3.932</td>
</tr>
<tr>
<td>ONCAMPUS Percentage of On-Campus Students</td>
<td>3.719</td>
<td>1.133</td>
</tr>
<tr>
<td>SENGIVE Senior Class Giving Program?</td>
<td>6.029</td>
<td>2.744</td>
</tr>
</tbody>
</table>

a. Dependent variable: ALGIVE01 Percentage of alumni giving in 2001-2002
Controlling for on-campus students, it can be seen that conducting a senior-class giving program increased alumni giving by 6.029%.

Path Analysis

To understand how the independent variables were related to each other and how they affected alumni giving, a path analyses chart is necessary.

Table 3.22

![Path Analysis Diagram]

Each of the paths shown above was significant. The strongest significance present in the path analyses was between on-campus students and alumni giving, as discussed earlier in the findings. Following that, the relationship between on-campus students and the presence of a senior-class giving program is the second-strongest correlation. The relationship between senior-class giving programs and alumni giving is the third-strongest correlation of the model. The weakest correlation of the model is that of the on-campus students and the costs spent per student. As discussed earlier, there is no significant relationship between expenditure per student and the presence of a senior-class giving program or a higher participation rate in alumni giving.
CHAPTER FOUR: SUMMARY AND CONCLUSIONS

Review of the Problem

Universities across the country are consistently working towards increasing participation rates in alumni giving on their campuses. Most universities depend on alumni support to assist in meeting their operational expenses. Annual giving programs are designed to address these needs by encouraging alumni to support their alma mater by making a financial contribution. The challenge for most campuses is how to get alumni to make their first contribution and to do it quickly after graduation. Once the first gift is made, the habit of contributing annually has begun.

One method many universities have implemented to encourage contributions is the senior gift. The senior gift program is designed to encourage undergraduate seniors to make their first financial contribution to the university prior to graduation. It is an educational program designed to teach the importance of giving and to encourage the habit of giving back annually.

The belief of many annual fund staffs is that conducting the senior gift program will significantly increase alumni giving participation rates by educating students on why it is important to contribute. The time spent on the senior gift will lead to increased giving over time and potentially will create the major donors of the future.

While a large majority of universities have already implemented a senior gift program in the belief it will make a difference, there have been no statistical data to support their claims. To be able to state that senior gift programs do impact alumni giving participation rates there needed to be proof. The question needed to be asked: Is there a direct correlation between undergraduate senior-class giving programs and first-year alumni
giving? This research was designed to create a body of knowledge on how best to interpret the long-term effects of senior-class giving and to determine whether or not senior-class giving programs achieve the desired results of annual fund programs.

Discussion of Findings

The findings of this research produced some results that were expected but also brought to attention a few which were not. To understand them it is important to have an overview of what the population sample looked like.

Of the 130 universities from which responses were received, 103 conducted senior-class giving programs and 27 did not. The initial goal of this research was to survey 100 universities that did and 100 universities that did not conduct programs. With the limitations on the size of campuses surveyed, this proved impossible. The large majority of campuses already were conducting them.

For the three fiscal years represented, in the universities with programs, more than 32% of seniors made a contribution during their senior-class year. At all 130 universities, more than 12.5% of alumni made a contribution within one year from graduation. Finally, of the 130 universities 41.6% had 75–100% of their undergraduate students living on-campus.

Of the seven hypotheses that were analyzed, five produced statistically significant results.

A direct correlation existed between the existence of senior-class giving programs and participation rates in first-year alumni giving (hypothesis one). For the three fiscal years represented the significance level produced was .000, with a significance level measured at the .05 level. This indicated that universities conducting senior-class giving
programs did have a higher participation rate in first-year alumni giving than those without them.

The larger the enrollment size of a university, the more likely it was to conduct a senior-class giving program (hypothesis two). The significance level was .000 measured at the .05 level for difference of means.

The proportion of students living on-campus affects the likelihood to have a senior-class giving program (hypothesis three). This was significant, with a .007 reading at the .05 level. On-campus students most likely had a stronger emotional connection to the university than those who lived off-campus.

For all three fiscal years represented, a significant relationship existed between the percentage of seniors who gave during their senior-class year and the participation rate for first-year alumni giving (hypothesis four). This difference of means was checked for significance at the .01 level and produced a .000 level for the three years.

Finally, the relationship between the percentage of on-campus students and first-year alumni giving participation rates was analyzed. The significance level was measured at .01 and there was a .000 level for the three years. The more students who lived on-campus, the higher the first-year alumni giving percentage was (hypothesis six).

Two of the hypotheses tested showed no significant link between the variables. The relationship between undergraduate enrollment and first-year alumni giving was tested for. It emerged that enrollment size played no role in the percentage of first-year alumni giving (hypothesis five). A correlation between pledges received from senior-class giving programs and participation rates for first-year alumni giving was tested for. There was no correlation between the two variables (hypothesis seven).
The five significant associations found indicate the areas of importance that need to be addressed by annual fund staffs. Because on-campus student percentages did present a significantly strong association with first-year alumni giving it is necessary to analyze the findings more closely. It is not quite enough to know the variables of significance; it is also important to understand how the variables relate to each other. The findings required additional research to better understand the variables' significance for each other.

One variable not initially reviewed was funds allocated to operating the senior gift program. A new variable was created that determined the average expenditure per student at each university (pcostr). When initially analyzed a significant link did exist between expenditure per student and participation in first-year alumni giving.

An initial correlation was run (Table 3.18) including the new variable pcostr to determine initial findings of significance. The findings were as follows: on-campus percentages had a statistically significant association with first-year alumni giving and senior-class giving programs; senior-class giving programs were statistically correlated with first-year alumni giving; and expenditure per student had a statistically significant association with first-year alumni giving.

Following the initial findings of the correlation, a number of multivariate analysis regressions were run, controlling for on-campus percentages. While controlling for on-campus percentages, no associations were found with other particular variables. The cost per student (pcostr), while controlling for on-campus percentages and excluding senior-class giving programs, showed no significant association with first-year alumni giving. The cost per student variable could be removed from the variables of significance. While controlling for on-campus students and including senior-class giving programs, a
statistically significant association was present for both on-campus percentages and senior-class giving programs with respect to first-year alumni giving. This is clearly illustrated in the path analysis (Table 3.22).

As determined by the results cited above, the initial research question in this thesis has been concluded. There is a direct correlation between senior-class giving programs and participation rates for first-year alumni giving. It is fair to say that annual fund staffs can expect that universities that conduct senior-class giving programs will have a 6.029% (Table 3.21) higher participation rate in first-year alumni giving than those universities that do not. Annual fund staffs can also expect that the campuses with a higher percentage of on-campus students will have a higher participation rate in first-year alumni giving.

Implications for the Literature on Giving

The study of annual giving has been discussed since the early days of alumni giving programs at universities. Annual fund staffs have studied donor behavior and giving patterns and have made assumptions on how best to solicit financial support from alumni. The literature that is available regarding annual giving provides a basic overview of the key components of successful annual giving programs and stresses the importance of creating the habit of giving early in a donor’s lifecycle. Encouraging alumni donors to begin their habit of giving early is acknowledged to be vital but the question how it is to be implemented is left unanswered.

Most annual fund staffs believe that the senior gift program is an effective means of encouraging alumni giving while students are still in school. A large majority of universities work from this assumption but have no supporting statistical. The findings of
this research can provide the basic statistical backing that they need to show the impact a senior-class giving program can make.

The data from this research show not just the impact that the senior gift program can make on alumni giving but also the other variables that affect alumni giving. The most significant factor in alumni giving is the percentage of students who live on-campus. A sense of community is most likely created by living on-campus with other students. There may be a closer personal connection established with the university, thereby creating the desire to give back financially. This finding is important because it underpins the importance of creating on-campus housing for students.

In addition to the positive relationships between variables, the research also identified variables in which there was no positive association. Appendix A contains a multivariate regression showing the associations between various independent variables and first-year alumni giving. Typical items that an annual fund staff would take into consideration when preparing a solicitation were analyzed to show their relationship to first-year alumni giving. The variables included the types of solicitations that were used (direct mail, telemarketing, face-to-face solicitation, and the holding of events), the person or office responsible for running a senior gift program (students, development staff, alumni association), the number of solicitations made, and the designation of a senior gift. For all of the independent variables included, not one showed a positive correlation to first-year alumni giving. These findings may require that annual fund staffs begin taking a different approach to their fundraising methods.

The findings from this study may also provide the justification to universities in which the implementation of a senior gift program is being contemplated. The statistics
show that senior gift programs do increase first-year alumni giving, which is an overall goal of all university annual fund programs.

Beyond the implications this research has for universities across the country, it will also assist those looking for information on the importance of early giving on later donor behavior. As was found, universities with senior gift programs had a higher percentage of first-year alumni giving. The finding would entail that seniors who have made their first contribution while still in school are more likely to renew their support as first-year alumni than those who have never contributed before. Creating the habit of giving is one of the key ingredients of any successful development program. It is important for all development staffs, regardless of whether they are in education or some other type of nonprofit organization.

Finally, the effectiveness of fundraising programs is always in need of review. These findings show that running a senior gift program is an effective way of encouraging first-year alumni giving at universities. The benefits that accrue to universities with senior gift programs make the effort worthwhile.

Practical Implications

Annual fund programs depend on alumni for success. Alumni giving is not only important in meeting the operational needs of the campus; it can also serve as a barometer of alumni satisfaction. Since annual fund programs are dependent on alumni, they must continually find new ways to encourage alumni giving. The senior gift program is a valid means of doing so.

For those universities not currently conducting senior gift programs, the findings of this research may encourage them to take a closer look at its effectiveness. Since
universities with a senior gift have an overall higher percentage of first-year alumni giving, it would be important to consider adding the program to their annual fundraising efforts.

For those universities currently conducting a senior gift program, the findings may encourage a closer look at how they are soliciting funds. A review of the number of solicitations, of the personnel overseeing the senior gift program, and of the types of designated gifts they are asking for are worth re-examining.

Annual fund programs overall can benefit from these findings. Regardless of the kind of programs they are conducting, donor behavior is important. Creating the habit of giving will always be important and the findings from this study may encourage annual fund staffs to assess their own programs’ effectiveness compared to the 130 universities in this study.

**Recommendations for Further Research**

This research established that a direct correlation does exist between senior-class giving programs and participation rates for first-year alumni giving. The findings represented universities across the country and produced significant results. Though significance was proven, the number of universities without senior gift programs represented in this survey was extremely small. A recommendation for further research would be to broaden the range of universities to include a larger population of schools without senior gift programs. To do so, it would be necessary to survey universities with both smaller and larger undergraduate enrollments. Since the findings indicated that enrollment size did not affect participation in first-year alumni giving, increasing the range of enrollment size should not affect the results.
In addition to increasing the range of undergraduate enrollment, a suggestion would be to research how long a university’s development program has been in existence, as well as the number of years the senior gift program, if conducted, has been running. Determining these results could better explain the success or failure of particular fundraising programs. Historical trends could affect giving at individual schools.

Identifying the time spent in conducting a senior gift program would also be an important issue to study. Is time spent justified by the end results?

Additional items to include for future research should include identifying the number of staff who worked on the senior-class giving program to help identify how much of an effort was really made in running a successful program. It would also be vital to complete a review of the impact of senior-class giving programs at community colleges, commuter campuses, and non-traditional campuses to identify the impact, if any, that senior-class giving has on first-year alumni giving. Also, the impact of on-campus housing on first-year alumni giving should be more closely looked at. Does the sense of community that may come from living on-campus affect first-year alumni giving, and if so, how should community be built for those students not living on-campus?

A final recommendation would be to create a model senior gift program and put it into place at a number of universities not currently operating a senior gift program and track its progress over a set period of time.
REFERENCES


Appendices

Appendix A

Multivariate Regression Analysis for additional independent variables

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
</tr>
<tr>
<td>I</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(Constant)</td>
<td>6.525</td>
</tr>
<tr>
<td>Senior giving Conducted by students?</td>
<td>5.121</td>
<td>2.944</td>
</tr>
<tr>
<td>Senior giving Conducted by development Staff?</td>
<td>.920</td>
<td>4.030</td>
</tr>
<tr>
<td>Senior giving Conducted by alumni Association?</td>
<td>-1.551</td>
<td>3.020</td>
</tr>
<tr>
<td>Senior giving direct Mail? (methods)</td>
<td>-3.157</td>
<td>3.923</td>
</tr>
<tr>
<td>Senior giving Telemarketing? (methods)</td>
<td>1.709</td>
<td>2.507</td>
</tr>
<tr>
<td>Senior giving Face-to-face solicitation? (methods)</td>
<td>-2.610</td>
<td>3.432</td>
</tr>
<tr>
<td>Senior giving events? (methods)</td>
<td>1.384</td>
<td>2.625</td>
</tr>
<tr>
<td>Number of solicitations Seniors receive</td>
<td>1.873</td>
<td>1.187</td>
</tr>
<tr>
<td>Senior Gift Unrestricted?</td>
<td>-2.507</td>
<td>2.521</td>
</tr>
<tr>
<td>Senior Gift Scholarship?</td>
<td>4.146</td>
<td>2.395</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Percentage of alumni giving in 2001-2002
Appendix B

Survey Questionnaire

Senior Class Giving and First year alumni giving Questionnaire
Thank you for your participation.

Traditional undergraduate: a student enrolled in a bachelors degree program, attends most classes on campus, and is typically between the ages of 18 and 22.

Please circle the appropriate answer:

A) What percentage of undergraduate students live on campus?
   1. 0-25%
   2. 26-50%
   3. 51-75%
   4. 76-100%

B) Do you conduct a program for undergraduate seniors to contribute money to your campus?
   1. Yes
   2. No

C) What methods of solicitations are used in your first year alumni (alumni who have been out of school no longer than one year) giving solicitation program?
   Circle all that apply.
   1. Direct Mail
   2. Telemarketing
   3. Face-to-face solicitation
   4. Events
   5. Other: please be specific

D) How long do you wait to send your first solicitation to new traditional alumni?
   1. Within one month of graduation
   2. Within two months of graduation
   3. Within three months of graduation
   4. Within six months of graduation
   5. Other: please be specific

E) How many solicitations do first year alumni receive within one year from their graduation date?
   1. One
   2. Two
   3. Three
4. Four
5. Other: please be specific ____________________ 

F) What percentage of first year traditional alumni make a contribution? 
Please answer for the following years: if necessary, please estimate 

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999-2000</td>
<td></td>
</tr>
<tr>
<td>2000-2001</td>
<td></td>
</tr>
<tr>
<td>2001-2002</td>
<td></td>
</tr>
</tbody>
</table>

If you do not conduct a senior class giving program please go to question O.

G) Who conducts your senior class giving program? 
Circle all that apply.
1. Students
2. Development Staff
3. Alumni Association
4. Other: please be specific ____________________ 

H) What methods of solicitation are used in your senior class giving program? 
Circle all that apply.
1. Direct Mail
2. Telemarketing
3. Face-to-face solicitation
4. Events
5. Other: please be specific ____________________ 

I) How many solicitations do seniors receive from your senior class giving program? 
1. One
2. Two
3. Three
4. Four
5. Other: please be specific ____________________ 

J) What percentage of the senior class makes a contribution? 
Please answer for the following years: if necessary, please estimate 

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999-2000</td>
<td></td>
</tr>
<tr>
<td>2000-2001</td>
<td></td>
</tr>
<tr>
<td>2001-2002</td>
<td></td>
</tr>
</tbody>
</table>

K) What are the funds contributed by seniors used for? 
1. Unrestricted use
2. Scholarship
3. Building Projects
4. Other: please be specific______________________________

L) Funds contributed from seniors are made by:
Circle all that apply.
1. Outright gifts (go to question N)
2. Pledges
3. Other: please be specific______________________________

M) Pledges received from seniors are completed:
1. Within senior year
2. Within one year from graduation date
3. Other: please be specific______________________________

N) What are your direct costs to operate your senior class giving program?
1. Less than $500
2. $500-$1,000
3. $1,001-$2,500
4. $2,501-$5,000
5. More than $5,000

O) Please state your position title:__________________________

If you would like to receive a copy of the questionnaire results please write your name and address on the back flap of the enclosed envelope.

Thank you for taking the time to complete this questionnaire.
Your information is greatly appreciated!
Appendix C

Consent Letter

February 1, 2003

«University»
«Contact_Name»
«Street»
«Street2»
«CityStateZip»

Dear «Contact_Name»:

My name is Lisa Moore and I am a graduate student in the College of Professional Studies at the University of San Francisco completing my masters in non-profit administration. I am developing a thesis that studies the relationship between undergraduate senior class giving programs and first year alumni giving rates. I am interested in discovering if there is a direct correlation between the two. As a fellow Development Officer at a college I understand the importance of increasing alumni participation rates and believe this research thesis will assist all of us in this matter. Your campus information will be an important part in developing this research.

I am asking you to participate in this research study because of your position at your school. If you agree to participate in this research, you will complete the attached survey about your fundraising programs and general campus information. Please return the survey in the enclosed pre-addressed, pre-stamped envelope to me.

Though there will be no direct benefit to you from participating in this study, the anticipated benefit of this thesis is to provide assistance to Development staffs across the country. The findings of this study will be made available to those who are interested.

Although you will not be asked to put your name on the survey, I will know that you were asked to participate in the research because I sent you this letter and survey. Study records will be kept as confidential as is possible. No individual identities will be used in any reports or publications resulting from this study. Individual results will not be shared with anyone beside myself.

There will be no costs to you as a result of taking part in this study, nor will you be reimbursed for your participation. If you have any questions about the research, you may contact me at 925.962.0197. If you have further questions, you may contact IRBPHS at the University of San Francisco. You may reach them by calling 415.422.6091, by e-mailing IRBPHS@usfca.edu, or by writing to the IRBPHS, Department of Psychology, University of San Francisco, 2130 Fulton Street, San Francisco, CA 94117-1080.
Participation in research is voluntary. You are free to not answer any question you choose.

Thank you for your time and attention in this matter. If you agree to participate, please complete the attached survey and return it to me in the enclosed envelope. Thank you for your assistance.

Sincerely,

Lisa M. Moore
Graduate Student
University of San Francisco