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## Big money: It's academic

*Colleges in international gold rush for donors.*

By Steve Goldstein

INQUIRER STAFF WRITER

LONDON — If you're asking for money — a lot of money — why not do it at a place called Cafe Paradiso?

Of course, Jill Sherman, Haverford College's vice president for institutional advancement, let prospective donor Angela Hobart choose the little cafe around the corner from the British Museum, where Hobart teaches.

In a sense, this was a formality. Over more than a year, Sherman had guided Hobart through what she calls the "dance" of negotiating a large gift for the school.

"There comes a time when the dance is smooth, and you follow each other's steps," said Sherman. "But I am leading — even though it doesn't appear so — if I am doing my job well."

Now the final moves are being choreographed over cappuccino at Paradiso.

Call it the globalization of giving. Raising money is the lifeblood of higher education, and universities are now competing for private contributions all over the world. They are reaching out to alumni living abroad, foreign undergraduates and their often well-to-do families, and wealthy "admirers" such as Angela Hobart.

Hobart, a British anthropologist, has agreed to endow for three years a study-abroad program for Haverford students and faculty at her estate in Ascona, Switzerland.

And Sherman, who knows how to ask nicely but never loses sight of her goal, has Hobart thinking about a lifetime commitment "in the six-figure neighborhood."

Competition among American universities has expanded their neighborhoods when it comes to attracting students, faculty and money. The race to get bigger and better has spread abroad.

In just over six years at Haverford, Sherman has led a successful capital campaign and transformed the Main Line school into a force in international fund-raising.

Hobart never attended Haverford, but she spent the first 12 years of her life there while her father, Edmund Stinnes, was on the faculty. She admires Haverford's Quaker background and its peace and global citizenship program.

"Both of my parents were internationally orientated," explained Hobart as she sipped her coffee, her graying hair covering the collar of a blue batik shirt purchased on a recent trip to Bali. Hobart travels frequently to Indonesia and is considered an expert on its indigenous peoples and art.

Sherman glanced at a red folder with a college logo that contained all of her fund-

raising proposals and agreements for this weeklong trip. As Hobart reviewed the documents, Sherman dropped a little bomb.

"We're also thinking about getting a little bit bigger, as a college," she said.

"Oh, my goodness," said Hobart. "In what way?"

"First, because of our expanded agenda in the arts," Sherman said smoothly. "Also our new international focus."

"I hope it's not going to be too big," said Hobart. "That's what I find so appealing."

Sherman gave assurances. That's part of the dance, too. Don't spoil the mood, but lay the groundwork for something more daring. Bigger school, bigger needs.

Even small liberal arts colleges such as Haverford and Swarthmore are players in international development. One of the nation's biggest is the University of Pennsylvania.

Nine years ago, The Inquirer reported that Penn's office of development and alumni relations had an annual budget of \$13.8 million and employed 250 people. The staff included 83 development officers who spent much of the year traveling the world soliciting money.

Penn declined to update those figures, citing the competitive nature of the business.

But the number of full-time fund-raisers has increased by 66 percent since 1985, Penn said.

Contributions to colleges and universities in the United States rose by 3.4 percent in 2004, according to an annual survey by the Council for Aid to Education at the Rand Corp.

Nearly half of the \$24.4 billion raised last year came directly from individuals, almost a 10 percent increase from 2003. Alumni giving is the base of support, but the increase was mainly driven by gifts from non-alumni donors, which increased by 21.5 percent.

The council doesn't track foreign donations, but international contributions largely derive from alumni and non-alumni individual donors.

With \$332.8 million raised in 2004, Penn ranked fourth on the list after Harvard, Stanford and Cornell Universities.

Tom Smith Tseng, associate director of Stanford's Office of Asian Relations, compared international advancement these days to an "arms race" and said if a school doesn't travel abroad, it will be left behind.

"A leading U.S. university without a global outlook in its alumni outreach and development activity is one that overlooks the potential of a group of constituents who may be ready and willing to help," Tseng said.

He described a trip to Beijing in September when he bumped into representatives from Cornell and Yale, with Princeton



CLEM MURRAY / Inquirer Staff Photographer

**Jill Sherman**, Haverford's vice president for institutional advancement, has helped make it a force in global fund-raising.

about to appear. Tseng said his China stop netted \$1.5 million in scholarships and fellowships for Stanford.

"Studies have shown that foreign donors are motivated by the same factors that influence their American counterparts: belief in the institution's mission and a desire to do good," Tseng said.

Dan West, vice president for development at Swarthmore, said the school's quest for international donors began in the last decade. West and president Alfred H. Bloom now make annual trips to Europe and Asia, where most of their 600 international alumni live (out of 18,000 total).

West described two recent gifts as "breakthroughs." A group of Japanese alums have pooled their gifts to raise \$150,000 for a seminar room in the new science center. Another group in Hong Kong has pledged a little more than \$100,000 for an endowed scholarship to benefit Asian students who are not American citizens.

"They are not huge amounts of money, but they are a real step forward in terms of getting foreign alums to take seriously their responsibility to help the college," said West.

One challenge that West and his counterparts face is the lack of a tax incentive in Europe and Asia for private giving.

"The whole notion of private philanthropy and a tax code that is structured to provide support and encouragement is literally foreign to most of the world," said West.

"If you're dealing with a culture where philanthropy isn't as established, you do have to make the case that this is the way it



**Dan West**, describes two recent gifts to Swarthmore as “breakthroughs.”

is in the United States,” said Penn’s Edward M. Resovsky, managing director for international development.

Last year, the school began a program called “Penn Traditions,” which organizes specific events for each class designed to build allegiance to the university. For sophomores, the program is called “Highball to Heyday: The Penn Experience” and explains the university’s colorful rituals.

Penn Traditions director Elise Betz said they hoped to reach out to students in an entertaining way “that would help create understanding of Penn’s mission, its traditions, and the students’ role in the larger Penn community.”

While not directed at foreign students, the program, Betz believes, will create a bond between student and university that will aid fund-raising and encourage the student to “give back” after graduation.

Jennifer Dumas, an American who until recently was the director of development at the University of St. Andrews in Scotland, said that colleges are now “planting a seed subliminally that you are expected to give.”

Dumas recalled that when Cornell accepted her, the letter included a financial-aid package and a note saying that the school was able to offer it due to the generosity of earlier students.

Foreign students who become successful may be more likely to reward their school’s generosity.

Last year, \$14 million of the \$332 million raised by Penn came from non-U.S. sources, according to school officials.

Every Monday, Resovsky receives a report on all gifts to Penn from outside the United States. Last winter, he noticed that a senior from Bahrain had sent in \$20. The student was on scholarship, so Resovsky sent her an e-mail thanking her for contributing to the senior fund.

The student replied that she was delighted with Penn and couldn’t wait until she could do more.

Resovsky forwarded the student’s reply to the donor who had subsidized her international scholarship. Now the donor — who was also from the Middle East — knew the fruit of his gift.

Penn also tries to educate its foreign donors about the school’s needs. Financial aid is always a good fit, and Resovsky noted a donor from Panama “who wanted to do something that would impact his native country.” The gift, ultimately, was a \$1 million financial-aid fund for Panamanian students.

Some donors have an edifice complex and want parts of buildings named in their honor. Others prefer to endow scholarships that benefit their countrymen, thus replicating their own achievement in getting to Penn.

The school also is aware that wealthy donors may be criticized at home for sending money abroad — and to the United States, of all places. Penn tries hard to accommodate donors who need to demonstrate that their real goal is to provide a more educated leadership in the donor’s country.

“Our role is to match donor interest with university priorities,” said Thomas Farrell, Penn’s vice president for individual gifts. “That’s the golden rule, and that’s the role we are asked to play.”

Another rule is that it’s not the size of the gold but the strength of the relationship. When Penn courts a prospective donor, the big payoff may not come for a decade or more.

One of Resovsky’s prize examples is Raymond K.F. Ch’ien, chairman of CDC Corp., Hong Kong, a software provider, who went to Penn as a graduate student and met his wife there.

Ch’ien first aided Resovsky as a kind of matchmaker when the Penn officials came to Hong Kong looking for donors. In 1994, Ch’ien was in Philadelphia for his daughter’s college tour, and the pair socialized with Resovsky and president Judith Rodin over cheesesteaks at Pat’s.

Ch’ien said that as Rodin shared her vision of the university, he never felt pressured to give. He knew what she wanted from him and, eventually, he volunteered to help the school.

“I observed the development of Penn under Judy’s presidency, and it was definitely gaining momentum,” he said. “My daughter was enjoying herself here. So the idea formed in my mind that I’d like to — within my means — support the school in some way.

“I just gave a little every year,” he continued. “I didn’t really do anything material until I came up with this idea of helping graduate students.”

Resovsky had researched Ch’ien and knew that his Penn doctorate was in economics, so that’s where the discussion began. After six years, Ch’ien agreed to donate \$1 million to establish the Judith Rodin Fellowships for social science doctoral students from foreign countries who are committed to nation-building.

“I was a graduate student supported by a fellowship, and that made a great difference in my life,” Ch’ien said. “I wanted to open it to all countries, not just China, and I also wanted as one of conditions that they do express an intention to return home.”

The gift also aligned itself with president Amy Gutmann’s international vision for Penn.

“That’s a beautiful story for us; that’s when it really works,” said Farrell.

At Haverford, Jill Sherman doesn’t have either the staff or financial resources to match Penn. What she has is a great deal of energy, a head for names and faces, an outgoing personality, and the patience to develop long-term relationships.

Sherman persuaded president Thomas Tritton to let her travel abroad, and now he, too, travels annually to Asia. Four years ago, she established an International Council, made up of Haverford graduates who live abroad or who have significant business interests abroad.

The council helps to recruit foreign students and provides a college connection for graduates who are working and living abroad.

“We’ve discovered that a significant number of people spend time in their career in places like London or Paris,” Sherman said. “If you ignore alumni at a critical growth period in their life when they may be lonely or disconnected, and then you come back to them in 20 years and hold out your hat — what’s that about?”

Sherman now is building contacts in Asia. In the spring of 2004, a Chinese couple, Ying Wu and his wife, Yalan, stopped by her office while their son took the campus tour. Wu encouraged her to add more Asian students, and Sherman replied that they hoped the current fund-raising campaign would produce \$10 million in scholarships for international students.

Wu turned to his wife. “I think we can help them,” he said, explaining to Sherman that he was a “significant” businessman who could open a lot of doors in China. He phoned the next day and told Sherman he wanted to give \$200,000 for scholarship money for Chinese students.

A written pledge for the amount followed by facsimile 30 minutes later.

“It was one of the most remarkable experiences I’ve ever had in my life,” said Sherman.

She has had some remarkable ones. Sherman was in a cab on the way to the World Trade Center to meet a wealthy college alumnus on Sept. 11, 2001. Several Haverford alumni died that day.

At a Haverford memorial service, Sherman met James Kinsella, Class of 1982, who as a Microsoft employee helped found MSNBC. Kinsella now runs Interoute, a European voice and data network provider based in London.

In subsequent conversations, Kinsella indicated he was interested in the internationalization of Haverford. His desire was to establish a scholarship fund for students from Islamic countries. Kinsella agreed to spend \$150,000 on a three-year “pilot” program.

“My interest in international starts with business,” Kinsella said during a meeting with Sherman in his offices in the Docklands district of London. “The world could benefit from educating an Arab kid at a place like Haverford. This, for me, is not about Haverford students benefiting from diversity, but about the kid from the Arab world going to Haverford and becoming a leader at home.”

Sherman beamed. For her, the dance had begun, and she knew all the next steps.

Contact Steve Goldstein at 202-383-6048 or [slgoldstein@krwashington.com](mailto:slgoldstein@krwashington.com).