Identification of patterns and characteristics dealing with private, public, and corporate philanthropic agencies which support hotel, food, and travel related programs

Jeffrey N. Rowoth
IDENTIFICATION OF PATTERNS AND CHARACTERISTICS DEALING WITH PRIVATE, PUBLIC, AND CORPORATE PHILANTHROPIC AGENCIES WHICH SUPPORT HOTEL, FOOD, AND TRAVEL RELATED PROGRAMS

by

Jeffrey N. Rowoth

A project submitted to the Faculty of the School of Food, Hotel and Travel Management at Rochester Institute of Technology in partial fulfillment of the requirements for the degree of Master of Science

August 1991
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<td>30</td>
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Acknowledgements

It is with great pleasure that I have the opportunity to thank my wife, Lynn, for her outstanding support and assistance.

Special recognition is also given to Tracey E. Brown for her commitment to this endeavor.

In addition, I dedicate this project to my father, Olin, for his constant encouragement and in memory of my mother, Barbara, whose life's pleasure was her quest for knowledge through literature.
Abstract

The objective of this paper is to examine and compare the extent of support given by philanthropic agencies in the United States to college programs offering undergraduate and graduate degrees in Hotel, Food, and Travel Management. A focused sample was asked about certain characteristics surrounding their giving patterns to determine if there was an even distribution of financial support. The findings show that there is a high correlation of support directed to four year B.S. programs in public and private colleges.

Key words: Hospitality Education, Philanthropic Agencies, External Support.
Introduction

The word "philanthropy" is derived from two Greek words meaning "love of mankind." First known reference of the word dates back to an English preacher and chaplin named Jeremy Taylor. He used it in a sermon in 1650 before King Charles I.

However, early history and ancient civilizations have shown reference to philanthropy through their actions. In mid-seventeenth century America, John Winthrop was known for urging the rich to recognize their duty to help the poor, the widows, and the orphans. It was, however, Benjamin Franklin who actually put Winthrop's concepts to work during the birth of our nation. Franklin once stated "an investment in knowledge pays the best interest," knowing our educational base would provide our new country with a stable foundation.

It was not until after the Civil War and western expansion that philanthropy became widespread in this country. With the shift into the industrial revolution of the late nineteenth and early twentieth century, families and businesses obtained great wealth beyond imagination.

To this day, names like Ford, Rockefeller, Dupont, Getty, and Eastman still are recognized as being the great builders of philanthropy in the United States.

Over the past decade of the 1980's, there has been an unprecedented amount of growth in the hospitality service sector. In fact, the second half of the twentieth century will be historically remembered as the part of transition from
an industrial to a service economy, including health, education, arts, and commerce.

Along with this growth, the hotel, food and travel industries, particularly have witnessed unprecedented growth. With the accessibility of varied modes of transportation, accompanied by additional hospitality services, travel in the United States has increased immensely.

To effectively manage and serve customers with quality service, today's hospitality manager is a critical resource. This factor has greatly contributed to the growth of hospitality industry programs across the United States. Since the mid 1970's when only about 30 four year college programs were offered, today there are more than 160 four to six year programs and 700 plus two year or certificate programs\(^1\). The overall mission of these programs is to educate individuals on the commerce of hospitality/tourism and its components. Almost 50,000 students worldwide are enrolled in these types of programs, and the cost to run them is constantly increasing.

In order to maintain the growth and guarantee the quality of these programs, students, educators, and industry professionals must ask themselves if there are sufficient funding organizations to support these programs in the future. This study was undertaken to understand the current situation for external support while showing the economic and social importance of philanthropic support as it relates to hospitality education programs.
The Significance

As George Eastman, the founder of the Eastman Kodak Company, once said, "The progress of the world depends almost entirely upon education. Fortunately, the most permanent institutions of men are educational." Prior to Mr. Eastman's death, he made one of the largest philanthropic gifts ever recorded in the history of man to an educational institution.

This study will be examining philanthropic organizations that concentrate their support on higher education rather than those organizations that support the arts, humanities/civic public affairs, and health/social services. The examination focuses on whether there is sufficient external funding available to support hospitality industry education in U.S. colleges.

In 1989, over $9.8 billion was given as donations to colleges and universities in the United States. By the year 2000, Bill Olcott, editor of Fund Raising Management, says "that figure should double to almost $20 billion." The identification of specific patterns and characteristics might help these programs have greater success in obtaining external support.

Since hospitality/tourism in the United States represented over $350 billion in sales in 1989, it is a major economic force in our society. It is thereby significant to identify linkages of how and why philanthropic gifts are contributed toward the nurturing of education in these enterprises.
Methodology

The nature of the study is to examine from a present perspective the giving trends of philanthropic organizations as they support college programs of food, hotel, and travel management.

A sample of 56 private, public, corporate, and individual foundations were surveyed to determine their past, present, and future plans of support for hospitality industry programs in the United States. The selected population sample was developed through the use of the U.S. Department of Commerce's Standard Industrial Classifications (SIC). This information was cross referenced to charitable organizations that file 990PF forms with the U.S. Internal Revenue Service.

A personalized mail questionnaire was developed to analyze the patterns and guidelines that may assist in securing external support for future development efforts. Out of the sample population of 56, a total of 32 surveys were returned, representing a 57% response rate. Two direct mail requests were used. The findings were expected to determine whether there was a sufficient amount of external support given annually to 860 plus hospitality industry programs in the United States.
Literature Review

In order to study the topic of philanthropy and its relationship to higher education, several sources were utilized.

Texts


Periodicals


Research Reports


Findings and Results

After reviewing the data from the survey one can draw certain patterns that are associated with external support directed to hospitality programs. The findings were compiled to help identify more clearly the relationship of average annual support given to certain types of hospitality industry programs for specific reasons by philanthropic organizations.

As Figure 1 illustrates, 65% of the respondents represented corporate organizations. This high percentage seems to parallel the growth of the hospitality industry in the United States. Only since the end of World War II have business leaders given serious attention to the support of college programs dealing with this industry. The support given since the 1940's parallels the huge demand for air and automobile travel in the United States.

The findings, of course, raise attention to the long term commitment the industry will have on education. If human labor is replaced by other technological means, some funding may cease. Since corporate giving is not altruistic, the supply of support may evaporate quickly. Unlike private foundations, corporations do not exist to give resources away or to better society. Instead, corporations exist to make goods or services that they in turn sell and make profits on.

A 9.4% response by private foundations seems to be low. Therefore, it is hoped that future foundations are established to support these educational
**Figure 1**

**Breakdown of Organization Type**

<table>
<thead>
<tr>
<th>Type</th>
<th>Number of Questionnaires Returned</th>
<th>% of Returned Sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>Private Foundation</td>
<td>3</td>
<td>9.4</td>
</tr>
<tr>
<td>Corporate Foundation</td>
<td>15</td>
<td>46.9</td>
</tr>
<tr>
<td>Corporate Public Relations</td>
<td>6</td>
<td>18.8</td>
</tr>
<tr>
<td>Individual</td>
<td>2</td>
<td>6.3</td>
</tr>
<tr>
<td>Other</td>
<td>6</td>
<td>18.8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>32</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>
programs.

The 6.3% attributed to individuals appears also to be a low. The 1989 findings by the Council for Aid to Education determined that 59% of all charitable gifts made in that year were by individuals\(^3\). However, this study could not quantify that segment efficiently because they are not considered tax exempt by the IRS. Thus tax rules may have an effect on overall giving.

The details in Figure 2 show the respondents affiliation within the organizations. A small return of 15.6% represented Trustee and Board members. These individuals usually meet three to five times per year and are not involved in the daily management of the philanthropic agency. Over 59.4% of the respondents to the survey were directors or managers and in the most part were full-time employees managing the flow of activities. Another 25% of the respondents were designated as other and thus probably had a host of other responsibilities to attend to besides handling external support.

Important to this study is the information outlined in Figure 3. It shows the ranges of gross assets that these philanthropic organizations have as a resource. Exactly 50% of the respondents ranked in the high end of the study, controlling $10,000,000 (ten million) to $100,000,000 (one hundred million). This shows that amounts of committed gross resources represent at least $320,000,000, but may approach upwards of $14 billion in total resources from the sample. On the other hand, the other 50% represented in the study showed
Figure 2

**Respondents Designation Within the Funding Organization**

<table>
<thead>
<tr>
<th>Position Title</th>
<th>Number of Questionnaires Returned</th>
<th>% of Returned Sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trustee</td>
<td>1</td>
<td>3.1</td>
</tr>
<tr>
<td>Board Member</td>
<td>4</td>
<td>12.5</td>
</tr>
<tr>
<td>President</td>
<td>3</td>
<td>9.4</td>
</tr>
<tr>
<td>Vice President</td>
<td>5</td>
<td>15.6</td>
</tr>
<tr>
<td>Staff Director</td>
<td>11</td>
<td>34.4</td>
</tr>
<tr>
<td>Other</td>
<td>8</td>
<td>25.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>32</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>
Figure 3

**Gross Asset Base of Philanthropic Organization**

<table>
<thead>
<tr>
<th>Range of Gross Assets</th>
<th>Number of Questionnaires Returned</th>
<th>% of Returned Sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>$10,000 to $100,000</td>
<td>2</td>
<td>6.3</td>
</tr>
<tr>
<td>$100,000 to $1,000,000</td>
<td>7</td>
<td>21.9</td>
</tr>
<tr>
<td>$1,000,000 to $10,000,000</td>
<td>7</td>
<td>21.9</td>
</tr>
<tr>
<td>$10,000,000 to $100,000,000</td>
<td>14</td>
<td>43.8</td>
</tr>
<tr>
<td>$100,000,000 +</td>
<td>2</td>
<td>6.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>32</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>
gross assets of $10,000 to $10,000,000. By comparing these two statistics and extending the dollar ranges, one can conclude that 95% of the gross assets are held by 5% or less of the organizations.

Several of these organizations have an abundant amount of financial power to control. With cross tabulating this information to the type of organization, the study concluded that over 64% of the gross assets were held by corporate foundations. This information is somewhat disturbing since with corporate mergers and sluggish corporate earnings, the steady balance of their long-term stability may be in question.

The number of years that the philanthropic organization has been in existence is shown in Figure 4. The longest time of existence tends to be 25 to 50 years, representing 40.6% of the sample. This shows the founding of these organizations from 1941 to 1966, during the prime growth years of major corporations and individuals who made their fortunes in the hospitality industry. Giants like Statler, Hilton, McDonald's, and General Mills fall into this category. Only 12.5% of the sample were 50 years old or more. Since 1966, 46.9% of the sample has been represented. It is important to note that only one organization, or 3.1% of the group, was formed within the last five years. Due to overbuilding in the market, recent recessions, and the tax reform act of 1986, some of the fertile seeds to attract capital have not come to fruition.
Each year over 62.6% of the respondents received 500 or more requests for funding. The majority of this figure (43.8%) received over 1000 requests. The percentages drop sharply from there with 25% of the surveyed agencies receiving anywhere from 100 to 500 requests. The data in Figure 5 illustrates the huge demand for external support being placed on these organizations. With this much demand, the paper flow is immense. It is disturbing to know that only 53.1% of these organizations published guidelines which would streamline the process.

Actual gifts made each year are examined in Figure 6. One can see that 31.2% of the gifts made are to a range of 1 to 100 recipients per year, while 34.4% of the gifts are made to 100 to 500 recipients. Almost evenly distributed is 34.4% of the gifts to 500 to 1,000 recipients. This even dispersion shows that each philanthropic organization has a variety of needs and objectives to meet. While some of these may be very selective with their giving, other organizations may spread their wealth around to a large variety of projects that only in part include higher education as a priority. These statistics are interesting when you compare them to Figure 11, since 68.8% of all gifts are only made in the range of $500 to $25,000 per year. Only 6.2% of these reach the $100,000 to $500,000 range. This shows that this is an abundance of small gifts being made. It can be determined that the gifts are not renewable annually or are for restricted purposes.
Figure 5

**Number of Requests for Funding Received Each Year**

<table>
<thead>
<tr>
<th>Range of Requests Per Year</th>
<th>Number of Questionnaires Returned</th>
<th>% of Returned Sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 to 10</td>
<td>1</td>
<td>3.1</td>
</tr>
<tr>
<td>10 to 100</td>
<td>3</td>
<td>9.4</td>
</tr>
<tr>
<td>100 to 500</td>
<td>8</td>
<td>25.0</td>
</tr>
<tr>
<td>500 to 1,000</td>
<td>6</td>
<td>18.8</td>
</tr>
<tr>
<td>1,000 +</td>
<td>14</td>
<td>43.8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>32</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>
### Number of Gifts That are Made Each Year

<table>
<thead>
<tr>
<th>Range of Gifts Made</th>
<th>Number of Questionnaires Returned</th>
<th>% of Returned Sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 to 10</td>
<td>5</td>
<td>15.6</td>
</tr>
<tr>
<td>10 to 100</td>
<td>5</td>
<td>15.6</td>
</tr>
<tr>
<td>100 to 500</td>
<td>11</td>
<td>34.4</td>
</tr>
<tr>
<td>500 to 1,000</td>
<td>4</td>
<td>12.5</td>
</tr>
<tr>
<td>1,000 +</td>
<td>7</td>
<td>21.9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>32</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>
$ Range of Average Gifts Made Each Year

<table>
<thead>
<tr>
<th>$ Value</th>
<th>Number of Responses</th>
<th>% of Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>$500 to $2,500</td>
<td>8</td>
<td>25.0</td>
</tr>
<tr>
<td>$2,500 to $10,000</td>
<td>8</td>
<td>25.0</td>
</tr>
<tr>
<td>$10,000 to $25,000</td>
<td>6</td>
<td>18.8</td>
</tr>
<tr>
<td>$25,000 to $100,000</td>
<td>8</td>
<td>25.0</td>
</tr>
<tr>
<td>$100,000 to $250,000</td>
<td>1</td>
<td>3.1</td>
</tr>
<tr>
<td>$250,000 to $500,000</td>
<td>1</td>
<td>3.1</td>
</tr>
<tr>
<td>$500,000 to $1,000,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>$1,000,000 to $3,000,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>$3,000,000 +</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>32</td>
<td>100.0</td>
</tr>
</tbody>
</table>
It is important to look at the long-term commitment for external support by philanthropic organizations. Understanding their patterns may help in securing larger donations over an extended period of time. Figure 7 illustrates that 75% of the respondents made multi-year pledges to funding requests while 25% would just commit to one year. To look more closely at this, Figure 8 shows the average number of years that gifts are renewed. It clearly demonstrates that 78.2% of the gifts will be carried forward two to five years. These facts are encouraging to institutions not only to secure support once but also to keep it ongoing.

To determine how different types of institutions were ranked as preferred recipients, Figure 9 addresses the characteristics of public versus private colleges. Additionally, they are also broken down into type of degrees offered, such as A.S., B.S., or M.S./Ph.D. The study clearly showed that B.S. degree programs ranked the highest with 50% of the preferred response for funding. Overall findings also favored public A.S. programs over private ones. However, private colleges offering terminal degrees were favored by 7% on average higher than the public institutions. In the June 1990 Research Report for the Council for Aid to Education, this question was evaluated also. That report stated that "the share of all corporate contributions going to private institutions as a group has been shrinking steadily over the past 15 years of record keeping." In that research, it also showed that 52% of the corporate donor dollars went to public colleges and
### Organizations That Make Multi-Year Commitments of Gifts

<table>
<thead>
<tr>
<th>Response</th>
<th>Number of Questionnaires Returned</th>
<th>% of Returned Sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>24</td>
<td>75.0</td>
</tr>
<tr>
<td>No</td>
<td>8</td>
<td>25.0</td>
</tr>
<tr>
<td>Total</td>
<td>32</td>
<td>100.0</td>
</tr>
</tbody>
</table>
Figure 8

**Average Number of Years Gifts are Renewed**

<table>
<thead>
<tr>
<th>Range of Years</th>
<th>Number of Questionnaires Returned</th>
<th>% of Returned Sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 to 2 Years</td>
<td>1</td>
<td>3.1</td>
</tr>
<tr>
<td>2 to 3 Years</td>
<td>14</td>
<td>43.8</td>
</tr>
<tr>
<td>3 to 5 Years</td>
<td>11</td>
<td>34.4</td>
</tr>
<tr>
<td>No Response</td>
<td>6</td>
<td>18.6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>32</strong></td>
<td><strong>100.0</strong></td>
</tr>
<tr>
<td>Level</td>
<td>Associate</td>
<td>Bachelor</td>
</tr>
<tr>
<td>---------------</td>
<td>-----------</td>
<td>----------</td>
</tr>
<tr>
<td>High</td>
<td>9.4</td>
<td>50</td>
</tr>
<tr>
<td>Average</td>
<td>25</td>
<td>25</td>
</tr>
<tr>
<td>Low</td>
<td>53.1</td>
<td>18.8</td>
</tr>
<tr>
<td>Not Applicable</td>
<td>12.5</td>
<td>6.3</td>
</tr>
</tbody>
</table>

Figure 9
only 48% were directed to private ones. If these figures continue to show an increase, it may put private colleges at a disadvantage in as much as tuition in these institutions can be two to five times more than public colleges.

Funding priorities are also critical to examine when looking at external support. Some philanthropic organizations are strict in what they will fund or not fund. Many of these guidelines, which are published, will show funding priorities. Therefore, it is of importance to examine some of these characteristics.

The ranking of funding preferences are shown in Figure 10. The highest ranking shows that support for scholarships was the most important with a 43.8% rating of their highest funding priority. It was followed by unrestricted use at 21.9%. On the low end of the ranking scale was the support for building and equipment at 6.3% each.

It was a surprise to learn that 50% of the respondents also ranked research funding as a low priority. This factor may show the lack of maturity hospitality organizations have in doing research. A correlation of low ranking funding preferences to graduate programs and research can be seen by comparing Figure 9 and Figure 10.

By cross tabulating this information with the different types of organizations, it was determined that scholarship support was most important to private foundations while corporations ranked unrestricted support as their
FUNDING PRIORITIES PREFERENCES
Ranking By Responses

Percentage

Figure 10
highest priority.

The range of average gifts was reviewed in Figure 11. Overall 50% of the average gifts were valued between $500 to $10,000. A total of 25% averaged $2,500 or less. The $25,000 to $100,000 range also ranked high with 25% too. Only 6.2% accounted for those gifts over $100,000 per year.

The range of lowest average gifts were compared in Figure 12. Here again, it shows that the majority of gifts made are less than $10,000. A total of 75% of small annual gifts were $2,500 or less. This fact may correlate with the fact that scholarship support for individuals seemed to rank as the highest priority.

In Figure 13, the highest range of annual gifts were reviewed. Here the figures show that 50% of all high range gifts made were between $1,000 and $100,000. A major share accounting for 34.4% were found in the $100,000 to $1,000,000 range. A surprising 12.5% accounted for large gifts to be in the annual range of $1,000,000 to $3,000,000.

To understand philanthropic agencies better, Figure 14 addressed whether or not they published annual guidelines to follow. It is interesting to note only 53.1% of the respondents said they did publish guidelines while 46.9% did not. This fact may make it difficult to fully understand the organizations objectives and thus secure external funding support from them. By cross tabulating this information, it was discovered that 82.3% of corporate related agencies published
Figure 12

$ Range of Lowest Gift Made Each Year

<table>
<thead>
<tr>
<th>$ Value</th>
<th>Number of Responses</th>
<th>% of Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>$500 and Under</td>
<td>11</td>
<td>34.4</td>
</tr>
<tr>
<td>$500 to $2,500</td>
<td>13</td>
<td>40.6</td>
</tr>
<tr>
<td>$2,500 to $10,000</td>
<td>3</td>
<td>9.4</td>
</tr>
<tr>
<td>$10,000 to $25,000</td>
<td>2</td>
<td>6.3</td>
</tr>
<tr>
<td>$25,000 to $100,000</td>
<td>3</td>
<td>9.4</td>
</tr>
<tr>
<td>Total</td>
<td>32</td>
<td>100.0</td>
</tr>
</tbody>
</table>
Figure 13

**Highest $ Range of Gifts Made Each Year**

<table>
<thead>
<tr>
<th>$ Value</th>
<th>Number of Responses</th>
<th>% of Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,000 to $2,500</td>
<td>1</td>
<td>3.1</td>
</tr>
<tr>
<td>$2,500 to $10,000</td>
<td>2</td>
<td>6.3</td>
</tr>
<tr>
<td>$10,000 to $100,000</td>
<td>13</td>
<td>40.6</td>
</tr>
<tr>
<td>$100,000 to $1,000,000</td>
<td>11</td>
<td>34.4</td>
</tr>
<tr>
<td>$1,000,000 to $3,000,000</td>
<td>5</td>
<td>12.5</td>
</tr>
<tr>
<td>$3,000,000 +</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>32</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>
Philanthropic Organizations Who Publish Guidelines

Yes 53.1%

No 46.9%
their guidelines while 57.1% of private foundations and individuals did not.

Planning for decision making by philanthropic organizations is important for budget forecasting along with the actual submission of proposals. Figure 15 shows that in 40.6% of the cases, decisions were made only three to five times per year; 18.8% accounted for the one time per year, while 25% were made monthly. Thus the main decision was made approximately every four months. There are many reasons why this is true, but a receiving institution should plan on an average eight month minimum cycle for proposal delivery to actual acceptance.

Philanthropic organizations make these funding decisions by working with other committee members. Figure 16 illustrates that 93.8% of the respondents had their decision made by a group, and only 6.2% were accounted for by individuals.

In 56.3% of the cases, three to six people were involved in the process. Figure 17 shows the distribution of committee members and it points out that in 81.5% of the cases, nine people or less comprise the group.
Figure 15

Decisions Made By

Committee 93.8%

Individuals 6.2%
TIMES DECISIONS ARE MADE

- Once a Year
- Twice a Year
- 4x per Year
- 8x per Year
- 12x per Year

Percentage Response

Figure 16
PEOPLE TO AGREE

Percentage

1-3pp.  3-6pp.  6-9pp.  9-12pp.  12pp.+  

Series 1

Figure 17
Summary and Conclusions

The objective of this study was to determine if there was a sufficient amount of philanthropic support to college programs offering degrees in food, hotel and travel management in the United States. The study also provided a backdrop to better understand philanthropy and see if there were any characteristics or patterns that are connected to asset base or average gift.

Due to the nature of the study and sample population, public and private corporations along with foundations were the focus. Since individual gift sources may account for 50% or more of external funding, it was difficult to be exact in analyzing the entire financial picture of external support and predict the future in a concise fashion.

However, the study did show that up to the mid 1980's, there was a steady growth of philanthropic organizations in existence to support FHT programs. For over 40 years, there has been a steady increase in the number of these agencies at a growth level of 7% per year.

The past five years have shown that the creation of new philanthropic agencies has slowed considerably. However, the amount of support given from existing ones has increased. It appears that the strong growth support has come from the corporate sector both public and private. These corporations view education as an important extension of their future human resource needs along with promoting social responsibility to the community in which they serve.
Public and private colleges offering a B.S. degree in the field were favored over A.S. or M.S./Ph.D. programs. This fact may show that the hospitality industry wants some educational foundation, but may not be ready for more advanced studies and research. Support for student scholarships was paramount overall, while funds to purchase equipment was shown as the lowest priority.

The mature philanthropic agencies were also more selective in their giving and had a history of staying within certain parameters. Committees tended to make the majority of the decisions, and most awards were decided upon one to four times per year.

It appeared that for every 100 requests for funding, only 10.5% actually received a gift. There were recorded to be many small gifts ranging from $500 to $2,500, and this may coincide with scholarships.

By comparing the hospitality field to that of other professions, we should be encouraged to see a high level of dedication and support. It would appear that if the hospitality business stays strong nationally, then resources for support will be returned to their educational roots. As the baby boom generation passes into the next century, it is highly probable that the amount of philanthropic support will rise. This, of course, may depend on the technological advances of information services and the continued desire of people to travel.
References

   By Mick and M. LeFever and Royette Graves

   May 7, 1991, Page 1

3. The Nation, The Chronicle of Higher Education Alamanac, September 5,
   1990, Page 6

To give away money is an easy matter and in any man's power. But to decide to whom to give it, and how large and when, and for what purpose and how, is neither in every man's power nor an easy matter. Hence it is that such excellence is rare, praiseworthy and noble.

- Aristotle
Appendix
PHILANTHROPY SURVEY

Directions:

In order to understand and prepare for the future needs in higher education and its focus on the hospitality service industries, we ask you to take a few minutes to complete this survey. The information provided by you and your organization is of great importance to this graduate study project. Please read each question carefully and thank you for your time.

1. Which of the following best describes your organization? (Select one)
   
   _____ Private Foundation
   _____ Corporate Foundation
   _____ Corporate Public Relations
   _____ Individual
   _____ Other

2. What designation are you with the organization? (Select one)
   
   _____ Trustee
   _____ Board Member
   _____ President
   _____ Vice President
   _____ Staff Director
   _____ Other

3. What is the principal (gross) asset base of your philanthropic resources? (Select one)
   
   _____ $10,000 to $100,000
   _____ $100,000 to $1,000,000
   _____ $1,000,000 to $10,000,000
   _____ $10,000,000 to $100,000,000
   _____ $100,000,000 +

4. What is the approximate time frame that your organization has been involved in philanthropic activities? (Select one)
   
   _____ 2 to 5 years
   _____ 5 to 10 years
   _____ 10 to 25 years
   _____ 25 to 50 years
   _____ 50 years +
5. Does your philanthropic organization refer to a certain geographic area in the United States to receive your financial support? (Select one)

_____ Yes
_____ No

If yes, what areas are they?

_____ Northeast (ME, NH, CT, MA, RI, NY, VT, PA, NJ, DC, DE)
_____ Southeast (FL, GA, VA, MD, SC, NC, AL, MS, LA, WV)
_____ Midwest (IN, IL, OH, KS, KY, MI, MS, TN, WI, AR, IA, MN, NE, ND, SD, MO)
_____ West (CA, WA, HI, OR, CO, WY, ID, MT, UT)
_____ Southwest (AZ, NM, TX, OK, NV)

6. How many requests for support does your organization receive per calendar year? (Select one)

_____ 1 to 10
_____ 10 to 100
_____ 100 to 500
_____ 500 to 1,000
_____ 1,000 +

7. How many actual gifts does your organization make each calendar year? (Select one)

_____ 1 to 10
_____ 10 to 100
_____ 100 to 300
_____ 300 to 500
_____ 500 to 1,000

8. Does your organization make more than a one year or multi-year commitment of support?

_____ yes
_____ no

If, yes, then how many average renewable years does your organization commit to? (Select one)

_____ 1 year to 2 years
_____ 2 to 3 years
_____ 3 to 5 years
_____ 5 to 10 years
9. Based upon this history of support by your organization, what type of colleges receive your generosity? (Please rank by 1-high, 2-average, 3-low)

A. Public Colleges

_____ 2 year program (AS degree)
_____ 4 year program (BS degree)
_____ 6 year plus (MS, Ph.D.)

B. Private Colleges

_____ 2 year program (AS degree)
_____ 4 year program (BS degree)
_____ 6 year plus (MS, Ph.D.)

10. What type of funding does your organization hold as being a priority? (Please rank by preference of support 1-high, 5-low)

_____ Support for scholarships
_____ Support for equipment
_____ Support for research
_____ Support for building
_____ Unrestricted support

11. What is the range of the organization's average gift? (Select one)

_____ $500 to $2,500
_____ $2,500 to $10,000
_____ $10,000 to $25,000
_____ $25,000 to $100,000
_____ $100,000 to $250,000
_____ $250,000 to $500,000
_____ $500,000 to $1,000,000
_____ $1,000,000 to $3,000,000
_____ $3,000,000 +

12. What is the lowest range of support given in one calendar year? (Select one)

_____ $500 and under
_____ $500 to $2,500
_____ $2,500 to $10,000
_____ $10,000 to $25,000
_____ $25,000 to $100,000
13. What is the highest range for any one gift given in one calendar year? (Select one)

   ______ $1,000 to $2,500
   ______ $2,500 to $10,000
   ______ $10,000 to $100,000
   ______ $100,000 to $1,000,000
   ______ $1,000,000 to $3,000,000
   ______ $3,000,000 +

14. Does your organization publish annual guidelines and applications that need to be followed for support? (Select one)

   ______ Yes
   ______ No

15. How many times per year are decisions made? (Select one)

   ______ 1 time per year
   ______ 2 times per year
   ______ 3-5 times per year
   ______ 6-11 times per year
   ______ 12 times or more per year

16. Is the decision made by committee (2 or more people) or by an individual? (Select one)

   ______ Committee
   ______ Individual

   If by committee, how many individuals must agree on how support is given? (Select one)

   ______ 1 to 3 persons
   ______ 3 to 6 persons
   ______ 6 to 9 persons
   ______ 9 to 12 persons
   ______ 12 persons +

THANK YOU FOR YOUR TIME.
April 24, 1991

Mr. R.W. Loehr  
Secretary-Treasurer  
The Stouffer Corp. Fund  
29800 Bainbridge Road  
Solon, OH  44139

Dear Mr. R.W. Loehr:

We are thankful that you may take time out of your busy schedule to assist us with a graduate study research project. As a student enrolled at the Rochester Institute of Technology in the School of Food, Hotel and Travel Management, I am studying the effects of philanthropy on college programs dealing with the hospitality service industry.

The enclosed survey is brief and should take no more than five minutes of your time to complete. Please return the survey as soon as possible in the postage paid envelope enclosed for your convenience.

We guarantee all information will be held in confidence and will be used in a generic sense, since names are not needed. The results of the project will be used to study the philanthropic support of higher education with particular emphasis on food, hotel and tourism degree programs in the United States.

If you have any questions regarding the survey itself or the extent of this research, please contact me or the project adviser, Dr. Richard Marecki, at 716-475-5666. Thank you again for your time.

Sincerely,

Jeffrey N. Rowoth  
Masters Candidate, RIT

Richard F. Marecki, Ph.D.  
Chairman, Department of  
Graduate Studies, RIT

Enclosure
May 14, 1991

Mr. Simon Zunamon
Hyatt Foundation
200 West Madison, 38th Fl.
Chicago, IL  60606

Dear Mr. Zunamon:

A couple of weeks ago you should have received our survey focusing on philanthropic support of Food, Hotel & Travel Programs at colleges in the United States.

If you have already returned the survey, our deepest thanks to you for your assistance. If you haven't had the opportunity yet, enclosed is another copy for your use with a postage paid envelope.

Again, all information is held in strict confidence and will be used only in a generic sense. Your assistance is vital to the success of this graduate research.

Our thanks for your time!

Sincerely,

Jeffrey N. Rowoth
Masters Candidate, RIT

Richard F. Marecki, Ph.D., CTC
Chairman, Department of Graduate Studies, RIT

Enc.