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The Ask

Libby Sander

John Lusk Hathaway

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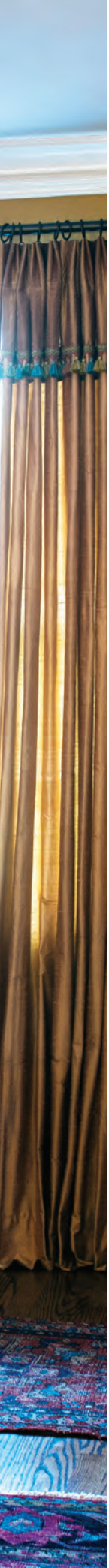
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A photograph of a dining room. In the foreground, a dark wooden table is set with a white teapot on a saucer, flanked by two tall, slender glass candle holders. In the background, a woman with short grey hair, wearing a dark jacket, stands by a large window with brown curtains, talking on a mobile phone. A large, ornate crystal chandelier hangs from the ceiling. Behind the table, a built-in white cabinet with shelves holds various decorative items, including plates, a framed picture, and a small figurine. The room is lit by the chandelier and natural light from the window.

The Ask

Higher education is a bloated, pampered industry of privilege. Higher education is the single-most important investment a society can make. Which of these is true? Behind one of the most pivotal, and misunderstood, conversations universities have.

*By Libby Sander
Photography by John Lusk Hathaway*



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ust a few miles south of the honky-tonk clubs of downtown Nashville, in a rambling district of gated homes belonging to country music stars, actors, and the Tennessee governor, **Tricia Morgan Carswell '82** is engaged in what she calls “a hunt for new Furman life.”

From her home office in a stately brick house shaded by large magnolias, Carswell, who is 54, identifies people who are capable of making charitable gifts to Furman of \$100,000 or more, and carefully cultivates relationships with them. Her travels take her to cities like Houston, New York, or Chicago. Yet on a recent winter morning, she was on a much different errand, preparing to visit a couple closer to home and very early in their philanthropic journey: **James and Sara Burnett Granberry**, class of 2004 and 2003, respectively.

Carswell came to Nashville more than 30 years ago, hoping—as many do in this town—to make it as a singer. Instead, she has spent the better part of the past three decades raising money for charitable causes: a local mental health center, a children’s hospital at Vanderbilt University, the Women’s Fund of the Community Foundation of Middle Tennessee. In time, that volunteer work led to a position as associate dean of development and alumni relations at Vanderbilt’s Owen Graduate School of Management, and then, three years ago, to Furman.

Effusive and warm, with short blond hair and lively brown eyes, Carswell motors through her days driven by an ardent commitment to Furman, philanthropy, and the power of personal relationships. Asking for money, she insists, is not what she does. Her job as director of principal gifts, she says, is to listen well, ask good questions, and try to get at the root of what motivates people to part with their money. If she succeeds, and if the timing is right, the gift will usually follow. But not right away: Although sometimes that process takes hours, it can also take years.

“One of the things I love about the business of philanthropy is that there is some risk in making that call and sitting down with someone you’ve never met before,” she says. “You have to be a little bit of a gambler.”

These are interesting times for college fundraisers like Carswell. Annual giving rates at most institutions have plummeted since the 1990s. Most donations come from a shrinking pool of donors, forcing many colleges to rely more heavily than they would like on a small number of very wealthy people. Meanwhile, development teams are scratching their heads over how to reach the biggest and youngest cohort of alums—the Millennials—for whom phone calls, e-mail, and mailed solicitations muster up all the enthusiasm of spam. It is also generally more difficult to compete for donors’ money and loyalty: The Internal Revenue Service registered nearly 30 percent more charities in 2012 than in 2002, according to a recent report by the Urban Institute.

In the meantime, the rising cost of college appears to have made Millennials less able—and possibly less inclined—to donate. Tuition at most institutions has climbed steadily for the past few years. (At Furman, tuition, fees, room, and board this academic year is just over \$56,000.) Debt loads have risen, too. In 2013, more than two-thirds of seniors graduated with a national average of \$28,400 in federal and private loans, according to the Project on Student Debt. (At Furman, the average debt for the class of 2013 was \$27,511.) With these numbers in mind, many parents, policy makers, and even some donors have come to believe that the cost of college has spun out of control.

Still, practitioners like Carswell say fundraising is, at its heart, an old-fashioned business built on relationships and inspired by timeless concepts of gratitude, belonging, and trust. Nothing beats a couple hours spent in the company of an alum, she says, talking about everything and nothing.

That’s what Carswell hopes to do with the young couple on the other side of town. They’re young and just starting out—but in time they could be devoted supporters of Furman. As with any visit, Carswell has done her homework. She knows the Granberrys met at Furman. They went to graduate school at Vanderbilt. They live in a new house in a pleasant part of town with their two young daughters. James co-founded a real estate investment business a few years ago with another Furman alum. So far, Carswell guesses, business is good in this fast-changing city.

Doing homework only goes so far, however. A person has to have both the ability and the inclination to make a gift. And the timing has to be right. So she’s thought about how best to start. Since the couple met at Furman, Carswell suspects they feel grateful to the university for bringing them together. So she’ll talk to them about gratitude, for sure, but also about family. That’s what Furman is: It’s a big family, she says, and when you enroll there, you become part of it. For life.

That’s the pitch she wants to deliver. But there’s a question she wants to ask, too: Ten years have passed. Why haven’t you given?

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All it takes is a quick inventory of the buildings sprinkled across most college campuses to know that institutions have long benefitted from the largesse of wealthy donors. Nowadays, most institutions have a development team that fosters relationships with alumni and others whose contributions help to advance the college’s mission.

While major donors still form the backbone of most colleges’ philanthropic donations in terms of sheer dollar amounts, their contributions are often specifically allocated: to new facilities, for example, or endowed scholarships and professorships. Annual giving, by contrast—those individual donations of \$25, \$100, or \$500 that collectively form a significant pool of money—helps pay for operating expenses and annual scholarships. It also funds a wide range of programs that are increasingly central to a liberal arts education: an emergency scholarship fund for students in dire straits, a summer cancer research program, study away.



THE FUNDRAISER

Tricia Carswell '82 works from her home in Nashville to uncover what she calls "new Furman life."

These programs, however, can be expensive, which begs a question: Does the perception of spiraling costs in higher education stem from the very expectations the public has for what that education should provide? Not just academics, but also sports, cutting-edge facilities, counseling support services, and extracurricular activities. Of course, fulfilling these expectations also helps make universities like Furman more competitive in attracting students.

Mike Gatchell, a 1991 Furman graduate and the university's vice president for development, says that Furman, like many of its peers, hasn't done a good enough job articulating for alumni just how vital annual donations are in keeping those services intact—and making up the difference between the true cost and what students actually pay. "Every year, in addition to salaries and utility bills, the university's budget covers things like research, community service projects, and lots of need-based scholarships," Gatchell says. "Most people don't realize that net tuition and fees cover around 70 percent of the total cost of the student experience."

What's more, he adds, 87 percent of Furman students receive some kind of financial aid. This is a major expense for the institution; at present, only a fraction of that financial aid is funded by annual gifts or endowed scholarships. Increased annual giving, whether to operations or specifically to scholarships, will allow greater flexibility in controlling tuition increases.

In the early 2000s, more than 50 percent of Furman's alumni made a gift each year to the annual fund. "And

then like most colleges and universities we started to drift," says Gatchell. "Now we're around 30 percent."

Despite the recent decline in annual giving participation, the signs are there that Furman alumni are indeed generous, and still feel connected to the institution: The university's most recent fundraising campaign, which ended in 2013, tallied \$406 million, and 78 percent of alumni participated. But reimagining Furman's approach to annual giving—how to connect with the university's alumni, make the case for that \$50 or \$500 gift, and explain exactly where that money goes—"is the challenge of the day," says Gatchell.

For starters, Furman's postcard-perfect campus can actually be an impediment. So can announcements about wealthy donors making eye-popping gifts. "You walk around this place, and you say, 'My goodness, this place doesn't need money!' And when we're fortunate enough to have a donor contribute \$1 million, we want to celebrate it," he says. "But there are people who are turned off by that. It's really a double-edged sword."

Those undercurrents appear to be felt most acutely among the youngest alumni, he says, who are graduating college to confront a much different financial reality than their parents or grandparents. "Fifty percent of our alumni finished in the last 20 years or so," he says. "A lot of these students are leaving with debt. We recognize how that changes the conversation."

It's a dynamic that is familiar to many colleges. Furman officials aren't alone in their apprehension over how to explain the vital role of annual giving—particularly to



THE PROSPECTIVE DONORS

James and Sara Granberry, class of 2004 and 2003, are among the next generation of philanthropists deciding how and where to give.

young alumni staring down years of monthly payments to retire their debts.

“It’s very difficult for the development officer to say, ‘We understand you’re having to make these payments, but we’d also like you to make a modest gift to the annual fund,’” says John Lippincott, president of the Council for Advancement and Support of Education, a Washington, D.C.-based association for development and advancement officials. But avoiding the issue now could have consequences later, he adds. “If we lose those young graduates in the early years, it’s very hard to bring them back later once that debt load has been settled.”

Demographics are indeed driving much of what fundraisers are focused on right now, says Robert Sharpe, Jr., president and chairman of Sharpe Group, in Memphis, who advises nonprofits and colleges on fundraising matters. Two big age cohorts are working their way through the alumni ranks: the Baby Boomers and the Millennials. The Baby Boomers are entering their prime giving years, when charitable gift annuities and bequests come into play. But the Millennials are at the opposite end of the spectrum. This early on, their ability to give generously is limited. But engaging them is critical. That’s why fundraisers need to avoid glossing over the fact that small gifts do matter; otherwise, Sharpe

says, young alumni will absorb a different message.

“It’s very easy for people to look at major gifts, and look at the names on buildings, and say, ‘They just gave \$20 million. What does my \$20 mean in that kind of context?’”

Explaining the complexities of annual giving and tuition-driven revenue streams can be a tall order. Even

harder is deciphering the intangibles of how and why people give. Much of it comes down to community, experts say. Where do people feel as though they belong? In the Greatest Generation, philanthropic giving by people who came of age during the Depression and World War II was tightly linked to community. They gave generously out of civic duty to religious charities and also to schools. This generation viewed education as a privilege, not a right: College, after all, was financially out of reach for

many until the 1944 GI Bill swung open the campus gates to millions of veterans and, in doing so, helped to create the modern middle class.

Now, for young alumni in particular, views on education are more complicated, and community has taken on a much different shape. It’s more likely to be “everybody across the country I’ve ever known,” says Brian Kish, a former senior vice president of development at the University of Arizona Foundation who recently became

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Does the public perception of spiraling college costs stem from the very expectations the public has for what that education should provide?
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THE CALCULUS OF GIVING

The Granberrys have two children whose educations, they say, may not leave much for “gratitude-inspired” giving.

president of the Emeril Lagasse Foundation in New Orleans. “I’m interested in what’s going on in Africa, and what’s going on in Tibet, and in Virginia where my friend lives. It’s not just what’s happening on my street corner. The neighborhood is gone.”

Even if Kish’s argument is true, says Gatchell, it only reinforces the value of robust support for universities. “How can we expect to have meaningful impact anywhere in the world if we aren’t effectively educating those who seek to make that impact? It all starts with education. Education is the cause that makes all other causes possible.”

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On an early December evening, with Christmas lights twinkling as the mercury dips into the 30s, Carswell pulls into the quiet cul-de-sac where the Granberrys have built their new home. Just a couple minutes past 7:30, bearing a package of chocolate cookies with peppermint icing, she steps up to their front door.

Molly, a seven-year-old goldendoodle, is quick to greet her. “Our firstborn,” James Granberry jokes, ushering Carswell in and accepting the sweets. After a few minutes of bustling around the kitchen, fetching coffee and talking of upcoming holiday plans, the three settle in for a chat: Carswell in a red armchair across from James

and Sara, who sit next to each other on a tall-backed beige sofa.

Upstairs, the couple’s two young daughters, Kate, who is almost 3, and Eleanor, 10 months, have been tucked in early for the night. Sara, 34, smartly dressed in slim jeans, heels, and a rust-colored cardigan, looks with bemusement at a digital baby monitor, which clearly shows a wide-awake Eleanor clutching the edge of her crib, peering over the rail. Molly ambles about, repeatedly offering up a plush toy before James, 33, shoos her into a nearby room.

For a half hour, the three chat about how James and Sara met through mutual friends at Furman, and how they both came to live in Nashville together. They married in 2006; in 2009, James enrolled at Vanderbilt’s Owen Graduate School of Management while Sara, a speech pathologist, supported them. In 2011,

James and **Justin Albright ’06** founded OakPoint Real Estate, an investment and advisory firm. Last year, the couple built this house on a newly developed block adjacent to an older neighborhood.

Then Carswell gets down to business. “So, when we ended our conversation last time, you had been giving more and more thought to your philanthropic bent—not only to Furman, but in general,” she says. “If you would indulge me, I would love to hear that process. As a young

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FAITH-BASED

And yet, even in lean times, the Granberrys say they are called to give.

couple clearly doing better and better and better, and expecting to continue to have resources to give, how do you make those decisions?”

Silence. Sara and James look at one another. Finally, James says, “Well, it’s December 31st—”

The quip about the end of the tax year breaks the ice: All three laugh. “You know what, that’s how some people who have millions to give actually make their decisions,” Carswell says. “Kind of like the lawyer is the last one to have a will. There’s no right or wrong answer here. You’re probably way ahead of a lot of people.”

She turns the conversation back. “Who goes first?”

“It’s a tough thing,” James says. “We definitely feel called to give. That’s non-negotiable.”

“Where does that come from?” Carswell asks.

“It’s a faith thing,” Sara says. Both she and James believe in the Christian concepts of tithing and charitable giving, setting aside a modest share of their annual income to various causes. For years, they have been loyal supporters of Mere Christianity Forum, a religious organization at Furman that James helped to found in 2002 and for which he served a stint as co-interim director after graduating. “Even during lean times, we felt called to give.”

“So it comes out of gratitude,” Carswell says.

In her many conversations with donors, Carswell often focuses on a few broad themes that cut to the emotional core of what motivates a person to give. Gratitude is a key driver for many people, she finds. So is the notion of a continuum of people whose generosity, over time, makes an institution truly great. But James isn’t sold on

the gratitude rationale quite so easily. He is well aware of how his life thus far—growing up in Dallas, attending Furman, building a business in Nashville—was also made possible by the hard work of his parents and grandparents. So he feels responsible for allocating precious resources wisely. In his mind, that means giving to those organizations that truly need help.

“A lot of our conversations are around need. What are the greatest needs out there that we’re connected to? Where is the greatest impact per dollar of investment?” he says to Carswell. “We’re not at a point where we’re independently wealthy. And so we’re not able to give millions and millions of dollars to these various causes.”

“Few people can!” Carswell exclaims.

“Obviously,” James says. But given their limited resources, he explains, he and Sara have to feel confident that their donations are going to make an impact. Take their older daughter’s preschool, he says. Run by a local church on a modest budget, he says they look at the program’s budget and know that their gift goes a long way.

“For us, there’s nothing like impact,” he says.

Giving to Furman does have impact, Carswell assures him. “At 35,000 alums, if everybody joins the family and helps, Furman moves forward very quickly.”

She explains that she went through a lengthy period when Furman wasn’t on her list, either. “I didn’t give for years. Number one, nobody asked,” she says. “I get that Furman hasn’t done a really good job about asking.”

James nods. “It’s funny. Sara and I were talking about, ‘Why haven’t we given to Furman—’”



“How can we expect to have meaningful impact anywhere in the world if we aren’t effectively educating those who seek to make that impact?” says Mike Gatchell, Furman’s vice president for development. “It all starts with education. Education is the cause that makes all other causes possible.”

“It’s a great question for y’all,” Carswell cuts in.

There are so many worthy causes, they say: Both of their high schools. Her department at Vanderbilt. Owen. Furman. “And from here on out, every school our kids ever set foot in, and every organization under the sun,” Sara says, ticking off the list. “And they’re all good things.”

Furman, James notes, has close to \$1 billion in assets. “If I give \$500 a year, how is that going to have a real impact?”

Carswell pauses, and speaks softly. “All giving, at any level—\$50 or \$5 million—it’s always going to be more about what it does to your soul than the impact it has,” she says. “It’s not an investment. It’s a gift.”

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Afterward, Carswell is struck by the couple’s purposeful focus on how best to parcel out their money. Their ties to Furman are obviously strong, she thinks to herself. But their sense was that Furman didn’t need the money. Maybe I took them to a different place in their thinking, she muses, persuading them that philanthropy is really not about need, but about gratitude.

“I know they will give,” she concludes.

The Granberrys kept thinking, too. After Carswell left, they lingered on the question of whether to make a gift purely in thanks—or whether donations are best directed to institutions where they make an immediate impact. Either way, the decision won’t come lightly, they say. The economy has been up and down for their entire adult lives, and James’s line of work, while promising, comes with no regular paychecks and no guarantees. Despite the trappings of a comfortable, stable life, Carswell’s confidence that they would do well seems hardly a foregone conclusion to them.

“We’re at the very early stage of feeling any sort of financial security. That’s all very new to us,” James says.

They also still aren’t sure Furman fits the bill of an institution in need. “Whenever you hear a number, any sort of figure surrounding a university, it’s always some huge number talking about the budget or cost of tuition,” Sara says. “It just almost feels like a black hole—all these huge amounts of dollars, and I don’t really know what anything goes to.”

But Carswell’s remarks about the university’s need for financial flexibility, and the importance of annual giving, resonated with them. Her simple explanation of 35,000 alumni each contributing \$100 to give the institution a few more million each year made sense.

Still, James worries about what he calls “unfunded liabilities.” Earlier that day, he made some quick calculations. Maybe he and Sara decide to have one more child. If they do, the cost of raising three kids—paying for private school, and then sending them to Furman, or a college like it—would require upwards of \$3 million over the next two decades. With those kinds of numbers looming, he wonders how much room their budget will have for gratitude-inspired giving.

But they acknowledge that Carswell came to ask them to take that next step in rejoining the Furman family—and going forward to keep its broader needs in mind.

A few days later, Carswell mails them a short handwritten note. For the Granberrys, it’s still the neediest causes that speak to them most, and ones grounded in the Christian faith. Furman doesn’t quite fall neatly into either category, but Carswell’s words about the bigger picture—along with gratitude, and the impact of a Furman education—have stuck with them. This year, and for as many years as they are able, they have decided to give. **F**

Libby Sander is a writer and erstwhile higher education reporter living in Washington, D.C.