

**An Analysis of Athletic Donor Valuation of Fundraising Benefits Based on Giving Level
of Current UNC Rams Club Donors.**

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ABSTRACT

Jason M. Batt: An Analysis of Athletic Donor Valuation of Fundraising Benefits Based on Giving Level of Current UNC Rams Club Donors.
(Under the direction of Dr. Nathan Tomasini)

The primary purpose of this study was to determine the most valuable benefits of donation to current Rams Club donors. The secondary purpose of this study was to provide a demographic profile of Rams Club donors. Online surveys were distributed to 8,789 members of the Rams Club. Completed surveys were collected from 703 members. Results indicated that Rams Club membership was heavily dominated by Caucasian males with 63.1% falling between the age of 35 and 64. A majority of members responded that they earned between \$50,000 and \$149,000 annually. The five most frequently chosen benefits of donation were 1) priority seating at football games, 2) priority seating at men's basketball games, 3) parking at football games, 4) parking at men's basketball games, 5) priority points. Significant relationships were found between one benefit of donation and giving level as well as between giving level and age, gender and race/ethnicity.

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CHAPTER 1

INTRODUCTION

The costs to fund intercollegiate athletics has reached an all time high, with athletic departments in all Divisions of the National Collegiate Athletic Association (NCAA) striving to increase revenues to keep pace with funding needs of athletic departments (Fulks, 2004a; Knight Foundation Commission, 2001). Enormous stress is being placed on college athletic departments to further increase revenues to cover rising tuition costs for an increasing number of student-athletes, build new, technologically advanced facilities, provide greater academic assistance and most importantly, win on the field of play (Knight Foundation Commission, 2001). In order to meet these challenges, athletic departments have leaned more heavily upon donations from individuals and private companies to make up for budget deficits when revenues supplied by ticket sales, television, licensing or advertising have not met expenses (Stroud, 2005). The University of North Carolina at Chapel Hill (UNC), an institution with a rich history of athletic success, has operated one of the most comprehensive athletic departments in the country, with 28 sports and over 800 student-athletes. Even with a men's basketball program that has won five national championships, UNC has not been immune to financial troubles.

In fiscal year 2004-2005, the UNC athletic department saw an increase in revenues and expenditures, reporting \$49.1 million in revenues in 2003-04 while reporting expenditures of \$48.7 million (EADA, 2005). UNC, like most other Division I-A programs

across the U.S., has been forced to increasingly rely on donations to remain competitive in today's intercollegiate athletic environment (Terrell, 2004).

Division I-A intercollegiate athletic departments have greatly increased financial revenues and expenses over the last century, particularly during the “arms race” of the past 20 years, where athletic departments have attempted to outspend one another to better land highly sought after recruits (Knight Foundation Commission, 2001). In Division I-A from 1995 – 2003 revenues have out gained expenses (Fulks, 1995, 1997, 1999, 2001, 2003). However, when direct institutional support is removed from revenue calculations it becomes clear that for 60.0% of Division I-A universities, expenses have exceeded revenues. In Division I-A in 2003, the average deficit was over \$600,000 (Fulks, 2004a).

Athletic fundraising organizations, or booster clubs, were first developed in the early 1900's as a method to provide athletic departments additional revenue to fund their programs (Baade and Sundberg, 1996). Clemson University's fundraising organization “I Pay Ten A Year” (IPTAY), widely known as the father of athletic fundraising, was founded in the 1930's to help bring a winning brand of football to Clemson University by providing increased funding for facilities, travel and recruiting (IPTAY About, 2005). Today, athletic foundations raise funds for student-athlete scholarships, construction of new and improved athletic facilities, and provide extra monies for high profile coaches.

The Rams Club is the athletic fundraising organization of the UNC Athletic department. Established as a 501c3 not for profit public foundation, the club was founded in the late 1930's and seeks to cover the full cost of student-athlete grants-in-aid, student-athlete scholarships, as well as fund capital projects and sport endowments. Funding scholarships is a task allocated to the financial interest generated by the Scholarship Endowment of the

Rams Club. This endowment, despite its current size of \$139 million, still produced an approximately \$2.5 million shortfall in 2004 (Terrell, 2004). These additional costs were covered by annual donations from members of the Rams Club.

Generating the \$2.5 million required to cover grant-in-aid as well as additional operating costs was made even more difficult by existing political and economic conditions (Ferreri, 2005; UNC System Skimps, 2004). According to Strout (2005) “we are in an era that the funding at the state and federal levels is being cut, and there's an effort to shift to more private giving” (Strout, 2005, p.18). Universities and athletic departments are beginning increasingly larger fundraising campaigns to counter a lack of funds at the state and federal levels (Stroud, 2005). This new reliance on private funding sources was made difficult because philanthropic giving had not recovered to the levels of the 1990's. In 2003 and 2004 trends demonstrated an increase in philanthropic giving, however the loss of many donors during the economic downturn of the late 1990's keep national giving totals in a relatively lower range (Pulley, 2003).

Purpose

The primary purpose of this study is to determine the most valuable benefits of donation to current Rams Club donors. The secondary purpose of this study is to provide a demographic profile of Rams Club donors.

Research Questions

1. What are the most highly valued benefits of donation for Endowment level donors?
2. What are the most highly valued benefits of donation for Coaches Circle level donors?
3. What are the most highly valued benefits of donation for Super Ram level donors?

4. What are the most highly valued benefits of donation for Big Ram level donors?
5. What are the most highly valued benefits of donation for Rameses level donors?
6. What are the most highly valued benefits of donation for Ram level donors?
7. What are the most highly valued benefits of donation for Tar Heel level donors?
8. What are the most highly valued benefits of donation for Student Ram level donors?
9. What are the most highly valued benefits of donation for all Rams Club donors?

Definition of Terms

Donor: Constitutively, one that gives, donates or presents something. Operationally, donor will be used to refer to an Athletic donor. An athletic donor is one who philanthropically monetarily contributes to an athletic department.

Fundraising Organization: Operationally, a non-profit organization that is associated with an athletic department. The stated goal of a fundraising organization is to provide monetary assistance to an athletic department.

Giving Level: Operationally, the specific category of monetary contribution with in which a specific donor falls.

Table 1.1:

Rams Club Giving Levels

| Giving Level | Minimum Annual Gift Amount |
|--|----------------------------|
| Student Ram | \$25.00 |
| Tar Heel | \$100.00 |
| Ram | \$200.00 |
| Rameses | \$500.00 |
| Big Ram | \$1,000.00 |
| Super Ram | \$2,500.00 |
| Coaches Circle | \$5,000.00 |
| Half Scholarship (Gift Payable over 5 Years) | \$100,000.00 |
| Full Scholarship (Gift Payable over 5 Years) | \$200,000.00 |

Benefit: Constitutively, an act of kindness, something that promotes well-being or useful aid. Operationally, a service or good provided by an athletic department or its fundraising organization as a reward for monetary donation. In college athletics, the amount or type of benefit provided varies based on the giving level of a donor.

Capital Project Campaign: A concentrated effort by a fundraising organization to raise money for a specific building project or fund.

Division I: Refers to classifications of athletic departments as stipulated by the National Colligate Athletic Association. To be classified as a Division I athletic department requires the sponsorship of 16 varsity level sports and compliance with NCAA academic standards and governance requirements. Typically, Division I-A consists of large athletic departments

which sponsor many sports and operate with average budgets that exceed \$25 million annually.

Endowment: Constitutively, money given to an institution to provide an income for it. Operationally, the endowment will refer to the Rams Club Scholarship Endowment. As stipulated by the by-laws of the endowment each year 5.0% of profits generated by the endowment are used to fund student-athlete scholarships while the remaining profits are re-invested into the endowment.

Assumptions

It was assumed all answers received through the survey were honest and accurate. All Rams Club donors were informed their answers would be kept confidential. Additionally, it was assumed that all Rams Club personnel who took part in the distribution and administration of the survey did so in an unbiased manner.

Limitations

The first limitation of this study was the selection of the sample. The randomness of the sample was limited by the availability of data. The selected sample was created by using Rams Club members made available by the Rams Club staff. Due to the highly sensitive nature of the information collected by the study access to additional booster club memberships could not be obtained. The second limitation of the study was the web based medium of the survey. Some members may not have access to the web and therefore may not be able to participate in the survey.

Delimitations

The population of donors was restricted to members of the UNC Rams Club. This was done to maintain consistency of benefits offered, levels of donations and resources

available to the fundraising organization. Similarly, because benefits examined were only available to those donating to the Rams Club, only athletic donors were examined.

An online survey instrument was created and implemented for this study. A link to the survey was provided to a Rams Club employee, who then distributed the link via email to all members. The survey allowed for the collection of data regarding the value of benefits, giving level and demographic information in an anonymous and accurate manner. The giving levels used were those created and used by the Rams Club.

CHAPTER 2

REVIEW OF LITERATURE

This chapter will provide a review of relevant literature on intercollegiate athletic fundraising. The chapter will be divided into three sections. The first section will examine the history of intercollegiate athletics, the development of Title IX and the current state of the NCAA, including sport sponsorship requirements, and the financial state of intercollegiate athletic programs. The second section will examine the history of philanthropy, educational foundations (booster clubs) and donor motivations. The final section will analyze the history of the UNC Athletics and the current financial state of the athletic department as well as the history of the Rams Club and its current financial state.

History of Intercollegiate Athletics

Intercollegiate athletics has existed on college and university campuses since the mid-nineteenth century with the first known sporting event taking place in 1852 when the students of Yale University challenged the students of Harvard University to a rowing race (Shapiro, 1983). By 1880, sports on many college campuses had become professionalized. In the sport of football, universities engaged in hiring professional coaches, players and recruiting athletes. The improved level of play and the lack of regulation resulted in an increasing level of violence and gambling, that led Harvard to ban the sport during 1884 (Shapiro, 1983). In response to a rash of violence and death caused by football's major offense of the period, the "flying wedge," President Theodore Roosevelt gathered University presidents to reform the sport. Concerns among these leaders led to the formation of the Intercollegiate Athletic

Association of the United States (IAAUS). This group existed until the establishment of the NCAA in 1910 (NCAA General Information, 2003). The NCAA evolved into more than a rules making group when it hosted its first championship in 1921. The NCAA took on further responsibility when it added recruiting and financial aid regulation to its list of responsibilities following World War II. The NCAA further improved its ability to govern collegiate sport when it established a permanent headquarters in 1951 and in 1952 began the regulation of televising live football games. Other important steps in the evolution of the NCAA were the establishment of Title IX in 1972, the division of membership in 1973, the governing of women's sports in 1980 and the reorganization of the NCAA governance structure in 1997 (NCAA General Information, 2003).

Title IX was a landmark development for women in sport and education. This legislation enacted in 1972 states "No person in the U.S. shall, on the basis of sex be excluded from participation in, or denied the benefits of, or be subjected to discrimination under any educational program or activity receiving federal aid" (U.S. Department of Labor, 1972, p.1). This legislation extended to all educational programs including athletics. In athletics this legislation requires that institutions comply in three areas: athletic financial assistance, accommodation of athletic interests and abilities and equality in other program areas. The first area requires that the total amount of athletics aid be substantially proportionate to the ratio of male and female student-athletes. The second area requires that the sports an institution sponsors accommodates the interests and abilities of the students. The third area requires that the benefits, opportunities and treatments given to sport participants be equivalent in the following areas: equipment and supplies, scheduling of games and practice time, travel and per diem allowances, opportunity to receive academic

tutoring, opportunity to receive coaching, locker room, practice, competition and medical facilities, housing and dining facilities and services, publicity, support services and recruitment of student-athletes (Curtis & Grant, 2005). The additional financial burden placed upon institutions and athletic departments by Title IX requirements was an important impetus behind the creation of athletic booster organizations (Personal Communication J. Montgomery, November 11, 2005).

Following the establishment and enforcement of Title IX the NCAA began the administration of women's sports by offering 10 championships for Divisions II and III. One year later the NCAA expanded offerings to women in 19 sports (NCAA General Information, 2003). The NCAA's adoption of women's sports replaced the Association for Intercollegiate athletics for Women, which had previously organized women's intercollegiate championships (Wushanley, 2004). The combination of Title IX's requirement for scholarship equality and the NCAA's enforcement of additional scholarships for women created a large need for increased funding for athletic departments. The presence of female scholarship athletes and the financing of their facility, travel and equipment needs were a major impetus for the creation of many athletic booster clubs and athletic departments' increased reliance on them (Personal Communication J. Montgomery, November 11, 2005).

The division of the NCAA membership into Divisions I, II, and III occurred in 1973 and Division I further divided into D I-A, D I-AA and D I-AAA (programs that do not sponsor football at the varsity level) for football purposes in 1978 (NCAA General Information, 2003). These divisions differ in the number of scholarships they offer and stadium attendance requirements. In 1997, the NCAA experienced a re-organization of its governance structure. The impetus of this re-organization was threats made by the Division

I-A football powers to remove themselves from the NCAA and compete against one another. In order to avoid their departure from the NCAA the other members agreed to a new structure. Division I moved away from the traditional process in which each member had one vote which determined the acceptance of legislation. Division I created a representative form of governance in which decisions are made by an eighteen member Board of Directors and the full membership does not vote on legislative issues. Divisions II and III also created new governing committees however they maintained the traditional process for the ratification of legislation (NCAA General Information, 2003). These adjustments in structure allowed administrators from the big time athletic programs greater control over the administration of their division, the money it produces and the amount of money they are able to spend (Just, 2002).

Current State of the NCAA

In 2005, the NCAA occupied a secure financial position due to a contract it reached with the Columbia Broadcasting Systems (CBS). Finalized in 2002, and beginning in 2003, CBS's continued partnership with the NCAA agreed to pay the NCAA \$6 billion over the following 11 years for the television, radio, internet, licensing, marketing and publishing rights to all 87 of the NCAA's championships, excluding football. Beginning in 2003 CBS paid the NCAA an average of \$545 million per year. This agreement allowed the NCAA increased revenue for it and its member institutions as well as increased media exposure for all of its championships (Brown, 2002).

In 2005, over 355,000 student-athletes compete for over 1,034 member institutions. There were approximately 117 member institutions participating in Division I-A, 118 member institutions in Division I-AA, 91 member institutions in Division I-AAA, 281

member institutions in Division II and 421 member institutions in Division-III (Fulks, 2004a; NCAA Membership Report, 2004). Each division of the NCAA, Division I, II, and III, have a separate governance structure that allows for division specific legislation. In addition to Division specific governance, an executive committee, consisting of institution chief executive officers exists to oversee issues that concern all divisions (NCAA General Information, 2003). As well as having a separate governance structure each division has unique financial characteristics.

Division I-A represents the NCAA's highest level of competition. The athletic departments of these member institutions average the largest budgets and generate the largest amount of revenue. Their athletic teams are featured more regularly on television and generate a majority of the income provided to the NCAA and member institutions. Further, NCAA Division I-A athletic departments are required to be financially self-sufficient (Brown, 2002; Fulks, 2004a). These institutions are required to sponsor a minimum of 16 sports and must meet a football attendance requirement of averaging 15,000 spectators per game. In 2003, Division I-A athletic departments averaged 578 student-athletes competing on a budget with average revenues of \$29.4 million. This represented a 17.0% increase from 2001 and was the largest average budget of any division. Ticket sales generated 27.0% of average revenues for Division I-A athletic departments, while alumni/booster contributions generated 18.0%, direct institutional support generated 10.0% and student activity fees generated 6.0%. The gains in average revenues were matched by an equal 17.0% increase in average expenses for Division I-A up to \$27.2 million for 2003. Salaries and benefits for coaches and staff as well as student-athlete grants-in-aid constituted over 60.0% of average expenses for Division I-A athletic departments (Fulks, 2004a). Despite the appearance of

profitability in Division I-A with out direct institutional support the average Division I-A athletic department lost \$600,000 in 2003. This represents a more accurate description of profitability as direct institutional support is a transfer of funds from one institutional account to the other and should not be counted as a real revenue source for the athletic department (Fulks, 2004a).

Division I-AA consists of member institutions that compete in football but not at the Division I-A level. These institutions participate in all other sports besides football at the Division I-A level and may play non-conference football games against Division I-A institutions (NCAA General Information, 2003). In 2003, Division I-AA institutions averaged 487 student-athletes competing on a budget with average revenues of \$7.2 million and expenses of \$7.5 million. In 2003, revenues increased 28.0% from 2001 and expenses increased 11.0%. Division I-AA athletic departments on average rely heavily upon direct institutional support for revenues. Forty-nine percent of average revenues for Division I-AA athletic departments were generated by direct institutional support with student activity fees providing 18.0%. Similar to Division I-A, the largest average expenses for Division I-AA were salaries and benefits at 32.0% and student-athlete grants-in-aid at 35.0%. Profitability calculations for average Division I-AA athletic departments in 2003 indicate a \$3.69 million deficit after the removal of direct institutional support (Fulks, 2004a).

Division I-AAA consists of member institutions that do not sponsor a football team at the varsity level. The schools compete against Division I-A , Division I-AA and other Division I-AAA institutions in other sports (NCAA General Information, 2003). In 2003, these institutions reported an 11.0% increase in the average number of student-athletes to 304 per institution. These institutions averaged \$6.2 million in revenues and \$6.5

million in expenses. Both of these numbers represented increases from 2001 averages with a 22.0% increase in average revenues and a 19.0% increase in average expenses. Similar to Division I-A and Division I-AA institutions, salaries and benefits as well as student-athlete grants-in-aid were the largest sources of revenue while direct institution support and student activity fees were the two largest sources of revenues. In 2003, after removal of direct institutional support the average Division I-AAA athletic department was operating with a \$5.53 million deficit (Fulks, 2004a). Due to the scope of the study a discussion of Division II and III was omitted.

UNC athletics competes in the Atlantic Coast Conference (ACC). In 2002, ACC member athletic departments had average revenues of \$31.3 million and average expenses of \$31.6 million. Both numbers were increased from the previous year as average revenues for ACC athletic departments were \$28.1 million in 2001 and average expenses were \$27.3 million for that same year (Fulks, 2004b).

History of Philanthropy

Philanthropy from individuals to institutions of higher learning represents the oldest form of fundraising in America. America's first known fundraising campaign occurred in 1643 when volunteers raised 500 pounds for Harvard University. The Civil War was America's next strong period of primitive fundraising. Through out the war volunteers for the Confederacy and the Union sold bonds and gathered funds to finance the war time effort. One of America's earliest philanthropists was Benjamin Franklin who advocated for the funding of local civic organizations (An Abbreviated History of the Philanthropic Tradition of the United States, 2005). Fundraising, in a more primitive form, continued until the modern notion of philanthropy was initiated by Andrew Carnegie. In an 1889 essay entitled,

The Gospel of Wealth, Carnegie advocated for America's wealthy to use their capital for the public good through trusts rather than passing it down to their family members in death.

Moved by the Carnegie essay John D. Rockefeller, Sr. chartered the Rockefeller Foundation in 1913. Under pressure from the public Congress passed the first charity tax relief in 1921.

This legislation opened the door for increased charitable giving in the post war boom and the next century (History of Philanthropy in America, 2003).

In 1998, the number of affluent households had increased to 16.7 million from 13.4 only one year earlier. Similarly there were 500,000 new millionaires in 1998 and in 1999 there were 189 billionaires up from 13 in 1982. Those wealthy individuals that compose the top 1.0% of income gave 33.0% of the total charitable dollars (Freeman, 2001). Despite the increasing wealth of America, in the late 1990's there was a period from 2000-2003 when philanthropic giving decreased. However, in 2005 philanthropic giving to universities had reached an all time high (Stroud, 2005). The United States was wealthier in 2005 than it was 10 years earlier and its giving has kept pace.

The positive trend in philanthropic giving has lead institutions of higher learning to take on larger fund raising campaigns in order to cover increasing costs. Many of these costs were covered by individuals and foundations. In 2003, individuals constituted 74.5% of all philanthropic gifts and foundations contributed 10.9%. Religious and Educational institutions were the two largest recipients of giving (Brief History of Philanthropy in America, 2003).

Institutions such as The University of Michigan, The State University of New York and the University of Virginia have launched campaigns that have exceeded \$3 billion in 2005.

These large campaigns will rely heavily upon contributions from individuals and foundations.

The future of philanthropic giving may be promising to universities and educational foundations. Annual giving is expected to continue increasing at 7.0% annually and could top \$500 billion by 2015 (Annual Charitable Gift-Giving, 2000). In addition, according to the Boston College Social Welfare Research Institute during the period from 1998 – 2052 Americans will donate between \$41 trillion and \$136 trillion to charity (Krebsbach, 2002).

Giving to Athletic Foundations (Booster Clubs)

Giving to intercollegiate athletic departments officially began in the 1930's when Clemson University started the "I Pay Ten A Year" (IPTAY) Scholarship fund. The fund was begun in an effort to return winning football to the University and establish the financial edge needed to compete in intercollegiate athletics. The club was organized as a secret organization that raised \$1,600 in 1934 (History, 2005). In 2004, the organization led the Atlantic Coast Conference in members and was in the top five in donations (Terrell, 2004).

In the 21st century athletic fundraising maintains a fundamental difference from university or academic fundraising. Athletic donors receive a tangible benefit for their donations, including tickets, parking and priority points. Athletic fundraisers use priority seating, parking and other privileges to motivate donors to give (Teague, 2000). Due to funding cuts by institutions and expectations that athletic departments operate in a financially self-sufficient manner athletic departments have turned more heavily to private donations to improve competitiveness (Baade & Sundberg, 1996; Stroud, 2005; Teague, 2000). Coughlin and Erikson (1985) found that athletic success may not improve fundraising and may negatively effect giving to the athletic department. Further, Baade and Sundberg (1996) found increased funding does not necessarily produce more successful athletic teams.

However, athletic departments' need to achieve self-sufficiency necessitates the revenue provided by athletic development (Teague, 2000).

There has been a substantial amount of research conducted regarding characteristics of an institution, its athletic department and the success of its teams as it relates to giving (Staurowsky, 2005). Marts in 1934 found that an emphasis on athletics had a negative effect on giving to athletics. Cutlip in 1965 found that an institution's endowments, enrollments and reputation were unaffected by athletic success. Spaeth and Greeley in 1970 found that a winning football team may lead to an increase in alumni giving. Amdur in 1971 concluded that there was a positive relationship between athletic success and giving to an institution. Springer in 1974 concluded that cutting football had no negative effect on giving. In addition, Budig in 1976 and Sigelman and Carter in 1979 also found no link between a lack of athletic success and alumni giving. Brooker and Klastoria in 1981, McCormick and Tinsley in 1990 and Harrison, Mitchell, and Peterson in 1995 found that institutional characteristics have a greater relationship to giving than does athletic success. Coughlin and Ereksen in 1984, Grimes and Chressanthis in 1994 and Rhoads and Gerking in 2000 found a significant relationship between athletic success and alumni giving (Staurowsky, 2002).

Donor Motivations

In a case study of a mid-western university Iveson (2000) found significant differences existed between genders and giving level as to what motivated each group. Additionally, Iveson (2000) found that benefits and rewards, strengthening infrastructure, student-athlete development and power and influence taken cumulatively explained 13.4% of the variance in motivational dimensions (Iveson, 2000). In separate study Hebing (2005) found that the top six motivational constructs for donors giving to athletics were personal

enjoyment of watching the school's athletic events, opportunity to obtain tickets for athletic events, the act of supporting a quality athletic program, desire to support an institution, the fact that athletic events can be family outings, and the opportunity to provide an education to needy student-athletes (Hebing, 2005). Gladden (2005), surveyed 4,137 individuals from 1,579 athletic support groups and found that primary motives of college athletic donors were supporting and improving the athletic program, receiving tickets, helping student-athletes, deriving entertainment, supporting the university, membership benefits, repaying past benefits, helping the community and psychological commitment (Gladden, 2005). Gladden relied on the previous research of Hammersmith (1985), Isherwood (1986) and Webb (1989) who also conducted research into athletic donor motivations. Hammersmith (1985) surveyed 360 members of the Mountaineer Athletic Club of West Virginia University and found that priority seating and parking as well as improving the image of the University to be important motivations for donors. Isherwood (1986) found that tickets were the most important motivation for donation followed by parking, special recognition and certain social events. Webb (1989) surveyed 400 members of the Oklahoma State University Athletic Boosters Club and found that donors' most important reason for donating was to improve the quality of the athletic department. Additionally, Hartsook (1998) found that donors' primary motivation was to make positive changes (Hartsook, 1998).

UNC Athletics

In the fiscal year 2004-2005, UNC's athletic department operated on a budget of approximately \$49.1 million in revenues and \$48.1 million in expenses. Men's basketball and football were the two largest sources of revenue and expenses. Basketball provided \$15 million in revenue and \$4.8 million in expenses and football generated \$17.3 million and cost

\$10.5 million. The budget was shared among 502 male student-athletes and 382 female student athletes on 28 different varsity rosters (EADA, 2005). The NCAA requirement for sport sponsorship is only 16 sports and many ACC and national opponents sponsor far fewer sports than UNC's 28 sports. ACC rivals Florida State University only sponsors 17 sports and Clemson University only sponsors 16 sports. This budget shared among so many sports and student-athletes has created a circumstance in which UNC's operating budgets are in the bottom third of the conference and its costs for grants-in-aid have reached \$6.5 million (EADA, 2005 & Terrell, 2004).

Covering the costs for student-athlete grants-in-aid as well as improving operating budgets is the responsibility of the Rams Club (Terrell, 2003; 2004). The Rams Club (Educational Foundation) was chartered December 7th, 1938 with the mission "to offer financial aid to worthy young men and women seeking an education at the University of North Carolina at Chapel Hill, and to support University programs by providing services and funds for the construction of facilities or purchase of equipment" (Mission & History, 2005 paragraph 1). In 2005, the Rams Club had developed into a \$30 million a year, 501c3 not for profit public charity (Joyce, D., Personal Communication. November 10, 2005). The Rams Club's distinction as a public charity is essential to completing its mission of funding student-athlete scholarships due to the tax advantages of that status.

In 1969 Congress divided charities into two groups, public charities and private foundations. Public charities are those that draw their support from a broad base within the community, as well as traditional institutions such as schools, churches and hospitals. Additionally, organizations that further the goal of a per se exempt organization are classified as a public charity. Per se exempt organizations are those types of organizations that the

Internal Revenue Service automatically classifies as acceptable. A typical example of this type of organization is a scholarship foundation operated to support a school. In establishing this division, Congress also enacted multiple tax advantages for public charities and several tax disadvantages for private foundations (Lewis, 1992). Those organizations classified as 501c3's are provided three major benefits over 501c4's or private charities. First, 501c3's are not required to pay income tax while 501c4's are required to pay this tax. Secondly, donors to 501c3 organizations are able make tax deductible donations while those donors making contributions to 501c4 organizations are not able to deduct donations from their annual tax statement. Finally, 501c3's are not required to release the names of donors. 501c4 organizations are required to release the names of their donors to the Federal Election Commission and the IRS. This requirement exists due to the fact that 501c4 organizations are not restricted in lobbying and political activity while 501c3 organizations are prohibited from engaging in political or lobbying activities (U.S. Tax Code and Non-profits, 2005). Therefore, 501c3 status is very important to the continued success of the Rams Club and all other athletic fundraising organizations.

In 2004-2005, the Rams Club had 13,547 donors, its highest total ever. Approximately 11,000 donors lived with in the state of North Carolina, while membership extended to every state except North Dakota and South Dakota. In 2004-2005, the Rams Club was able to add 1305 new members, while maintaining a retention rate of 94.0%. Each member of the Rams Club is required to provide an annual donation that can span from a Coaches Circle level donation of \$5,000 or more per year to a Student Ram donation of \$25 a year (a giving level break down can be found in Table 1.1). The Rams Club acquired 332

new Tar Heels, 505 new Rams, 112 new Rameses, 154 new Big Rams, 15 new Super Rams and 25 new Coaches Circle level members.

These members give annually at one of seven levels each requiring a specific monetary gift to receive specified benefits. These donations provide the member with benefits that, dependent upon giving level, may include season basketball tickets, season football tickets, game day parking, special events, media guides and golf tournaments. These new and existing members contributed to a year in which the Rams Club raised more than \$27 million in gifts and pledges. The Rams Club annual fund raised \$8.7 million in 2004-2005 (Terrell, 2005c).

Another area where the Rams Club was successful in 2004-2005 was the funding of sport endowments. The Rams Club is the one of the few booster club organizations currently raising funds for sport endowments. The Rams Club's sport endowment program seeks to raise \$1 million for each of UNC's 26 Olympic sports, \$10 million for football and \$25 million for men's basketball. The endowment functions by generating a 5.0% return on investment while protecting the principal. In 2004-2005 the sport endowment program raised \$1.5 million and reached or surpassed the \$1 million goal for Wrestling, Women's Soccer and Baseball.

In 2004-2005, Rams Club fundraisers generated \$4.7 million designated for capital projects. These gifts were directed for use on two capital projects, an estimated \$8 million renovation of UNC's baseball stadium and an estimated \$14 million athletics center. The baseball stadium renovation will include an upgrade of seating, field, luxury boxes and locker room facilities. The athletics center will include a UNC men's basketball museum, ticket office, athletic department senior staff offices and Rams Club offices (Terrell, 2005c).

In 2004-2005, the Rams Club made a concerted effort to increase differed or planned giving. “Carolina Forever” the Rams Club’s planned giving society was founded to take advantage of the many planned giving options that exist for philanthropic giving. “Carolina Forever” offers members the option to take advantage of bequests, qualified retirement plan assets, charitable remainder trusts, charitable lead trusts, charitable gift annuities, life insurance gifts and gifts of real estate options. In 2004-2005, the Rams Club received \$6.2 million in differed gifts from members of “Carolina Forever” (Terrell, 2005b & Terrell, 2005c).

As described in the mission statement funding student-athlete grants-in-aid is one of the Rams Club’s responsibilities. In 2004-2005, this responsibility was met in large part by the Educational Foundation Scholarship Endowment Trust. This endowment generated \$6.2 million to pay for student-athlete grants-in-aid. Entering 2004 the endowment was valued at \$122 million. That principal was invested largely in the UNC investment fund and earned a 15.5% return in 2004-2005. Due to the bylaws of the trust only 5.0% or \$6.2 million of the interest earned could be used to fund student-athlete grants-in-aid. The remaining 10.5% or \$18.3 million was added to the principal (Terrell, 2005c). Despite this payout from the endowment an approximate budget deficit of \$2.5 million still existed in funding student-athlete scholarships (Terrell, 2005c). During 2004-2005 the endowment was able to add pledges and payments from 15 new full scholarship donors and 14 new half scholarship donors. These donors made pledges and payments towards either a \$75,000 half scholarship or \$100,000 full scholarships each payable over 7 and 8 years respectively (Terrell, 2005a). As of July 1, 2005 full scholarships were increased to \$200,000 and half scholarships were increased to \$100,000 each payable over 5 years (Terrell, 2005c).

Due to the narrow scope of this study research regarding the Rams Club specifically is limited. Research conducted by Smith (1989) focused on the motivations for Rams Club members to give and selected characteristics of members. Smith (1989) found that the typical Rams Club member was an alumnus, married to a non-alumnus, had an average yearly income of \$25,000-\$50,000 and contributed between \$501 and \$1,000 per year. Smith (1989) also found that members listed enjoyment of watching athletics as the most important motivation for contributing to the Rams Club followed by loyalty to one's school and the opportunity to obtain tickets.

The cost of intercollegiate athletics has continued to grow since its beginnings more than 100 years ago. Contributions to booster clubs play an important role in financing these advancements. An important key to increasing donations and improving college athletics is understanding what motivates donors to give. For UNC understanding the motivations of Rams Club donors helps pay for scholarships, build facilities and increase operating budgets for all of its 884 student-athletes.

CHAPTER 3

METHODOLOGY

The primary purpose of this study is to determine the most valuable benefits of donation to current Rams Club donors. The secondary purpose of this study is to provide a demographic profile of Rams Club donors. The methodology of this research has been divided into the following sections: subjects, variables, instrumentation, procedures and design and analysis.

Subjects

The subjects of this study will consist of the 8,789 Rams Club members with email address. These members provide the club with monetary gifts annually at differing levels. These individuals were selected by their membership in the Rams Club. Email addresses of the subjects were provided by and approved for use through the Rams Club staff. Subjects will be contacted via email and directed to a web based survey.

Variables

Independent Variable: Giving Level & Benefit of Donation

Dependant Variable: Donor Provided Likert Score

Instrumentation

Based on the review of literature and communication with Exercise and Sport Science professors and Rams Club staff, variables were identified that were considered benefits of being a Rams club member. The survey was created on-line via a web based survey design

firm. This website allowed for one-response, matrix rankings and open-ended questions to be created. The website administered the survey, collected the results and organized the data.

The survey consisted of two sections. The first section of the survey collected demographic information concerning the member. The second section consisted of two questions that asked donors to provide information as to what level they support the Rams Club annually and then evaluate the benefits of donation they receive from the Rams Club.

The quality of the questionnaires was determined through validity and reliability techniques. With the help of Exercise and Sport Science professors and Rams Club staff a survey was developed and face validity was established. Face validity refers to the extent to which a measure appears on the surface to measure what it's supposed to measure.

Reliability, the degree to which test scores for a group of test takers are consistent over repeated applications, was measured through a pilot study. A pilot study, a small-scale version of the study intended to refine the experimental protocol, was conducted and a reliability coefficient of 0.76 was achieved. This indicates strong inter-item reliability (Pemberton, 2004).

Procedures

Subjects of the study were contacted via email and directed to the web based survey. Respondents were asked to complete the survey honestly and then thanked for their participation. Two reminder emails were sent 1 week and 3 weeks following the initial email to increase response rate. The data generated by the surveys were collected and maintained by a web based survey research firm. The researcher then moved the data into SPSS for statistical analysis.

The anonymity of the subjects was protected by not releasing the names of the respondents surveyed and by not releasing specific responses. All data was collected and presented in a generalized nature. No names were released and only trends, percentages and measures of central tendency were discussed.

The following statement was attached to the survey: “The Behavioral Institutional Review Board (Behavioral IRB) at the University of North Carolina at Chapel Hill has approved this study. If you have any questions about your rights as a research participant in this study, please contact the Behavioral IRB at 919.962.7761 or at aa-irb@unc.edu. By linking to the survey, you are giving consent to participate in the study.”

Design and Analysis

The researcher performed descriptive, frequency and Chi-Square analysis to determine the most highly valued benefits of donation. The researcher performed a frequency analysis, a Chi-Square analysis as well as determined the mean scores of each benefit of donations for each level of annual giving as well as for the entire body of respondents. Descriptive statistics, frequency analysis and Chi Square analysis were also used to analyze the demographic information. These analyses helped to create a demographic profile of each level of Rams Club donors as well as a demographic profile of the overall membership.

CHAPTER 4

RESULTS AND DISCUSSION

This section will discuss the results of the survey, which was designed and implemented to determine the most valuable benefits of donation to current Rams Club members. The results of this survey allowed for the creation of a demographic profile of the Rams Club membership. Seven-hundred and three surveys were fully completed and from 8,789 distributed for a response rate of 7.9%. A reliability coefficient of .763 was achieved for the survey. These 703 responses were extrapolated to the Rams Club population and utilized to answer the nine research questions as well as provide a demographic profile of the Rams Club membership. Despite the relatively low response rate the findings of this study can be interpreted with confidence due to the similarity between the demographic findings of the sample of this study and the population of the Rams Club.

Description of the Sample

The 703 responses to eight demographic questions allowed for the creation of a profile of the Rams Club membership. The results demonstrated 81.9% of Rams Club members were male, 18.1% female, and predominantly Caucasian (98.0%). Figure 4.1 and 4.2 demonstrate the gender and ethnicity of Rams Club members, respectively.

Figure 4.1

Gender of Rams Club Members

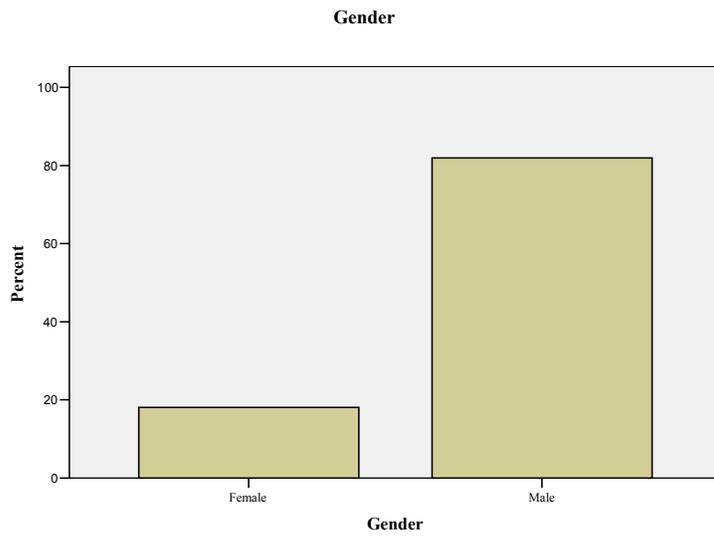
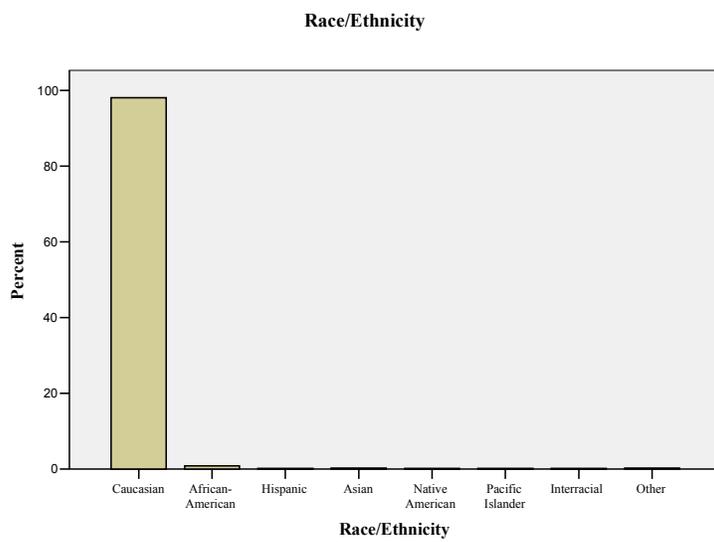


Figure 4.2

Ethnicity of Rams Club Members



Listed in Figure 4.3 is the graph of the Age of Ram's Club members. The largest age group represented in the Rams Club was 55-64 with 23.8% of respondents. The two lowest age groups are 18-24 and 75 and above, represented by 5.0% and 3.7% of all members, respectively.

Figure 4.3

Age of Rams Club Members

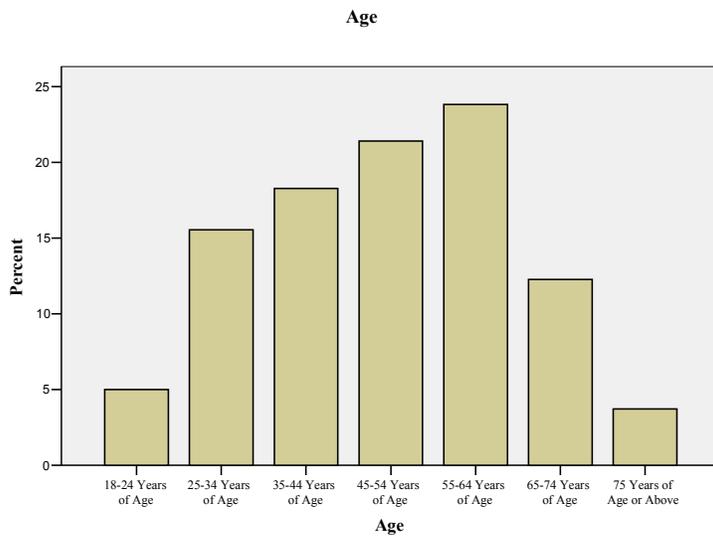


Figure 4.4 demonstrated the income levels of Rams Club members. A majority of members responded that their current average annual household income was between \$50,000 and \$149,000 (57.9%). Additionally, 4.4% of respondents indicated their current average annual household income was above \$500,000. This was the 5th most frequent answer chosen.

Figure 4.4

Annual Household Income

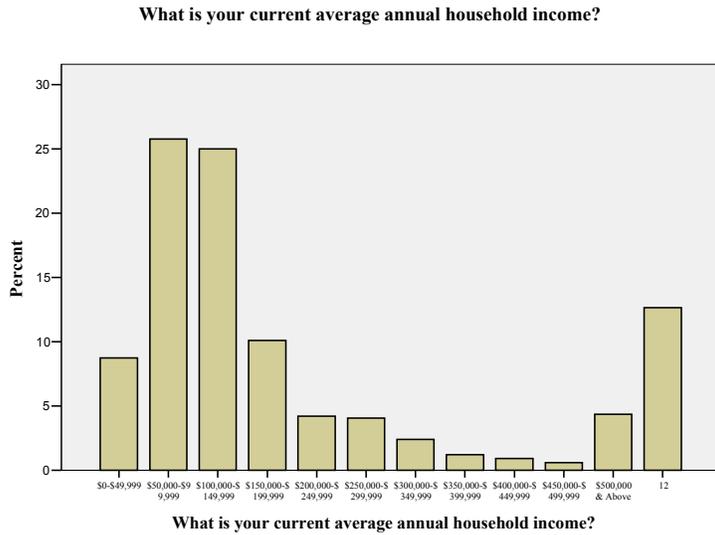
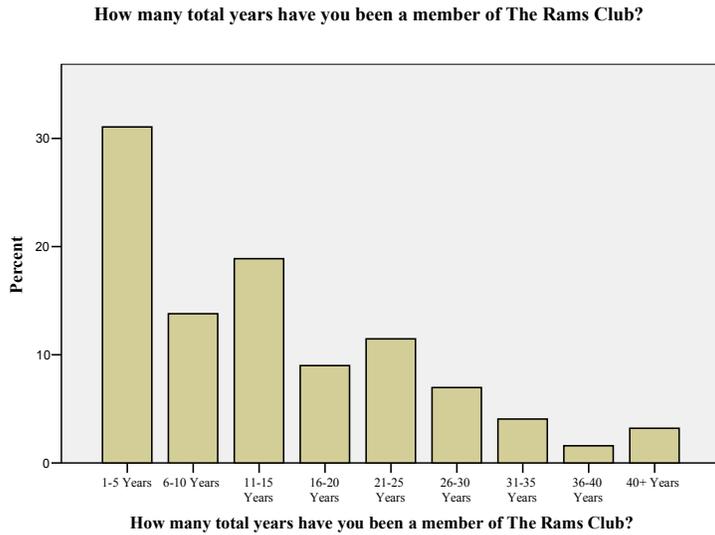


Figure 4.5 demonstrated the amount of years members have been with the Rams Club. Results indicated there was a large percentage of Rams Club members that have begun their membership in the last five years (31.0%), while 26.7% of respondents indicated they had been a member for greater than 20 years.

Figure 4.5

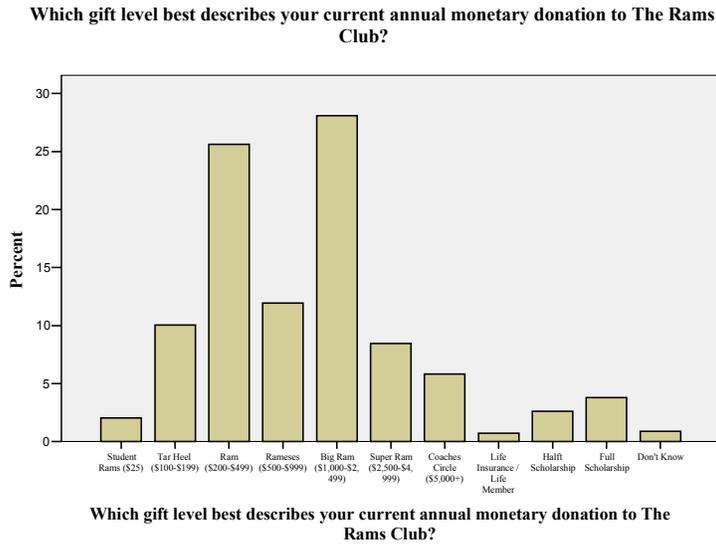
Years of Rams Club Membership



Additionally, results demonstrated the Ram level (25.0%) and the Big Ram (27.5%) level were the two most frequently selected levels of annual monetary donation to the Rams Club. Student Ram, Half Scholarships and Full Scholarships were the three least selected levels. Responses showed that 89.7% of respondents had never contributed a major gift.

Figure 4.6

Rams Club Gift Level



The sample also demonstrated that Rams Club members were employed in a variety of industries. Rams Club members selected retired (16.6%), financial services/insurance (7.7%), education (6.8%), sales (6.5%), real estate (4.6%) and “other” (23.6%) as the most frequently represented industries of employment.

Additionally, a demographic profile was created for each Rams Club giving level. Table 4.1 provides the demographic variable selected most frequently for each Rams Club giving level.

Table 4.1

Demographic Variable Selected Most Frequently (%)

| Giving Level | Variable Selected Most Frequently (%) | | | | | | | | | |
|------------------|---------------------------------------|------|-------|------|----------------|-------|---------------------|------|-----------------|------|
| | Gen. | % | Age | % | Race/Ethnicity | % | Income | % | Years as Member | % |
| Student Rams | Male | 92.9 | 18-24 | 92.9 | Caucasian | 92.9 | \$0-\$149,000 | 36.4 | 1-5 | 92.9 |
| Tar Heel | Male | 73.5 | 25-44 | 49.3 | Caucasian | 97.3 | \$0-\$149,999 | 74.6 | 1-5 | 67.0 |
| Ram | Male | 76.1 | 18-44 | 45.8 | Caucasian | 96.6 | \$0-\$149,999 | 75.9 | 1-5 | 38.6 |
| Rameses | Male | 75.0 | 24-44 | 52.4 | Caucasian | 100.0 | \$0-\$149,999 | 68.4 | 1-10 | 54.8 |
| Big Ram | Male | 89.1 | 55-74 | 46.2 | Caucasian | 99.5 | \$50,000-\$149,999 | 66.5 | 21-35 | 37.8 |
| Super Ram | Male | 82.5 | 55-74 | 62.0 | Caucasian | 98.3 | \$50,000-\$149,999 | 29.4 | 21-35 | 31.0 |
| Coaches Circle | Male | 87.5 | 55-74 | 35 | Caucasian | 100 | \$100,000-\$149,999 | 25 | 21-35 | 30 |
| Half Scholarship | Male | 94.4 | 25-44 | 38.9 | Caucasian | 100 | \$50,000-\$99,999 | 27.8 | 11-15 | 27.8 |
| Full Scholarship | Male | 92.3 | 45-64 | 65.4 | Caucasian | 92.3 | \$500,000 & Above | 32 | 11-15 | 34.6 |

The analysis demonstrated that Student Ram members were 92.9% male, Caucasian (92.9%), mainly between the age of 18-24 (92.9%) and had been a member of the Rams Club for 1-5 years (92.9%). In addition, 49.3% of Tar Heel level donors were between the age of 25-44 and 74.6% earned between \$0 and \$149,999 annually. Results indicated that 76.1% of Ram level donors were between 18-44 years of age and 75.9% earned between \$0-\$149,999 annually. A total of 54.8% of Rameses level donors had been members of the Rams Club for 1-10 years and over half were between 24 and 44 years of age (52.4%). Results for Big Ram level donors indicated 66.5% earned between \$50,000 and \$149,000 annually and 37.8% had been members for 21-35 years. Results for Super Ram level donors indicated that 62.0% of these members were between 55-72 years of age and 31.0% of them had been members of the Rams Club for 21-35 years. Results for Coaches Circle members demonstrated that

30.0% had been Rams Club members for 21-35 years and that 25.0% of Coaches Circle members earned between \$100,000 and \$150,000 annually. Results for half scholarship donors indicated that 38.9% members were between 25-44 years of age and 27.8% of them earned \$50,000-\$99,999 annually. Results for full Scholarship donors indicated that 32.0% earned greater than \$500,000 annually and 65.4% of these members were between 45-64 years of age.

Description of the Findings

In addition to creating a demographic profile of the Rams Club membership the results of the survey answered each of the research questions by indicating the most highly valued benefits of donation for each annual monetary giving level.

Research Question 1: *What are the most highly valued benefits of donation for Endowment level donors?*

The results of the survey demonstrated that 57.8% of Rams Club members that have endowed a full scholarship rated priority points as “Very Important.” In addition, “Very Important” was the most frequent answer selected for priority seating at Men’s Basketball games (47.8%), priority seating at Football games (43.5%), media guides (40.9%) and Tar Heel Monthly Magazine (47.8%). Scholarship recognition, Peebles Practice Gym pre-game passes and annual scholarship dinner were rated “Unimportant” and can also be found in Table 4.2. Table 4.2 demonstrates the rating of selected benefits by full scholarship donors. Figure 4.7 and Figure 4.8 demonstrate a rating of priority points and the annual scholarship dinner by full scholarship members, respectively.

Table 4.2

Rating of Benefits by Full Scholarship Donors (%)

| | N/A | Very Unimportant | Unimportant | Neutral | Important | Very Important |
|--------------------------------------|------|------------------|-------------|---------|-----------|----------------|
| Priority Points | 4.7 | 8.7 | 4.3 | 8.7 | 26.1 | 47.8 |
| Priority Seating at Men's Basketball | 13.0 | 4.3 | 0.0 | 4.3 | 39.1 | 39.1 |
| Priority Seating at Football | 0.0 | 4.3 | 4.3 | 8.7 | 39.1 | 43.5 |
| Media Guides | 0.0 | 4.5 | 9.1 | 18.2 | 27.3 | 40.9 |
| Tar Heel Monthly Magazine | 0.0 | 4.3 | 0.0 | 17.4 | 30.4 | 47.8 |
| Scholarship Recognition | 8.7 | 8.7 | 30.4 | 30.4 | 17.4 | 4.3 |
| Peebles Practice Gym Passes | 8.7 | 8.7 | 34.8 | 26.1 | 17.4 | 4.3 |
| Annual Scholarship Dinner | 4.3 | 4.3 | 43.5 | 43.5 | 4.3 | 0.0 |

Figure 4.7

Rating of Priority Points by Full Scholarship Members

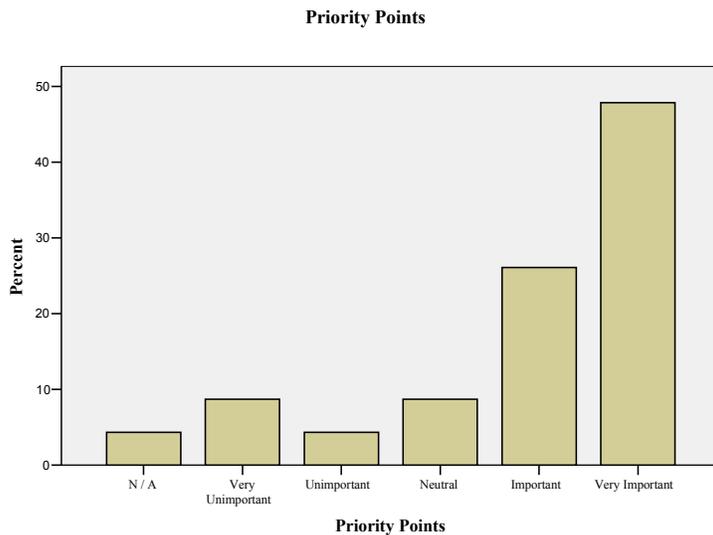
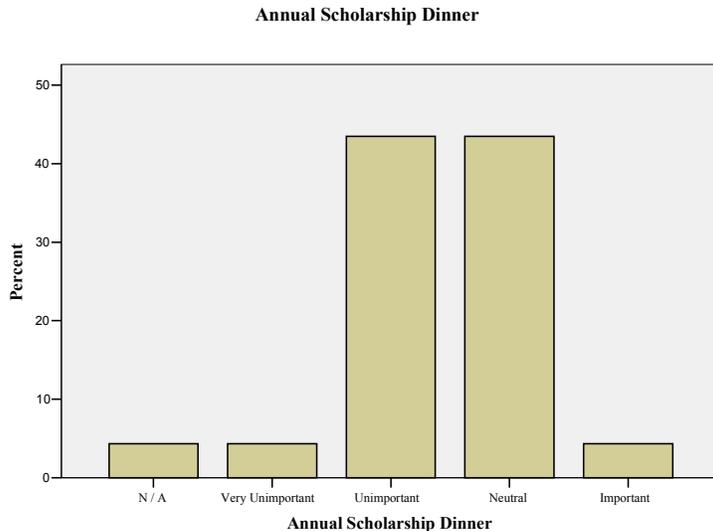


Figure 4.8

Rating of the Annual Scholarship Dinner by Full Scholarship Members



Of those Rams Club members that had funded half scholarships 68.8% rated priority seating at Football games “Very Important.” Additionally, “Very Important” was the most frequent response for priority points (50%), parking at Football games (33.3%), mini-season basketball ticket package (31.3%), media guides (50.0%), Tar Heel Tour events (25.0%), Tar Heel Monthly Magazine (37.5%) and access to the Rams Room at Football games (25.0%). Half scholarship donors chose scholarship recognition as the only benefit of donation rated “Unimportant” or “Very Unimportant.” Table 4.3 demonstrates the rating of selected benefits by half scholarship donors. Figure 4.9 and Figure 4.10 demonstrate the rating of priority points and scholarship recognition by half scholarship members, respectively.

Table 4.3

Rating of Benefits by Half Scholarship Donors (%)

| | N/A | Very Unimportant | Unimportant | Neutral | Important | Very Important |
|------------------------------------|------|---------------------|-------------|---------|-----------|-------------------|
| Priority Points | 0.0 | 6.3 | 6.3 | 6.3 | 31.3 | 50.0 |
| Parking at Football Games | 13.3 | 6.7 | 6.7 | 6.7 | 33.3 | 33.3 |
| Priority Seating at Football | 6.3 | 6.3 | 0.0 | 0.0 | 18.8 | 68.8 |
| Media Guides | 0.0 | 0.0 | 12.5 | 6.3 | 31.3 | 50.0 |
| Tar Heel Monthly Magazine | 0.0 | 6.3 | 0.0 | 18.8 | 37.5 | 37.5 |
| Tar Heel Tour Events | 6.3 | 6.3 | 18.8 | 25.0 | 18.8 | 25.0 |
| Rams Room | 0.0 | 12.5 | 18.8 | 18.8 | 25.0 | 25.0 |
| Mini Season Ticket Package | 6.3 | 0.0 | 18.8 | 12.5 | 31.3 | 31.3 |
| Scholarship Recognition | 12.5 | 0.0 | 37.5 | 37.5 | 12.5 | 0.0 |

Figure 4.9

Rating of Priority Points by Half Scholarship Members

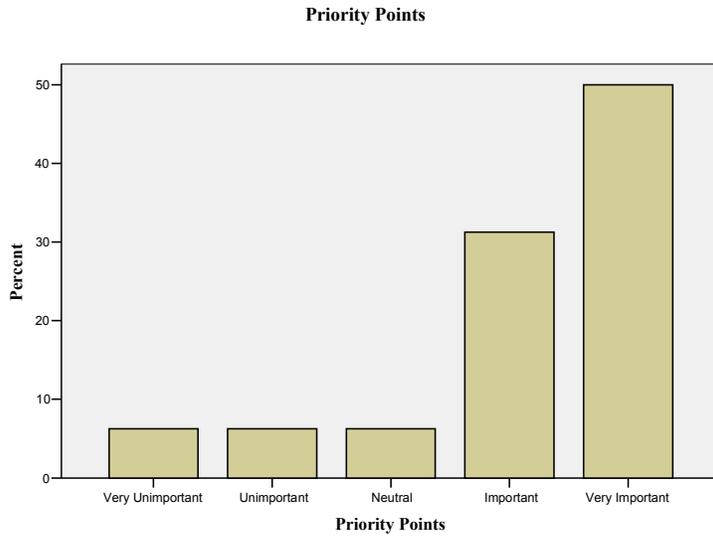
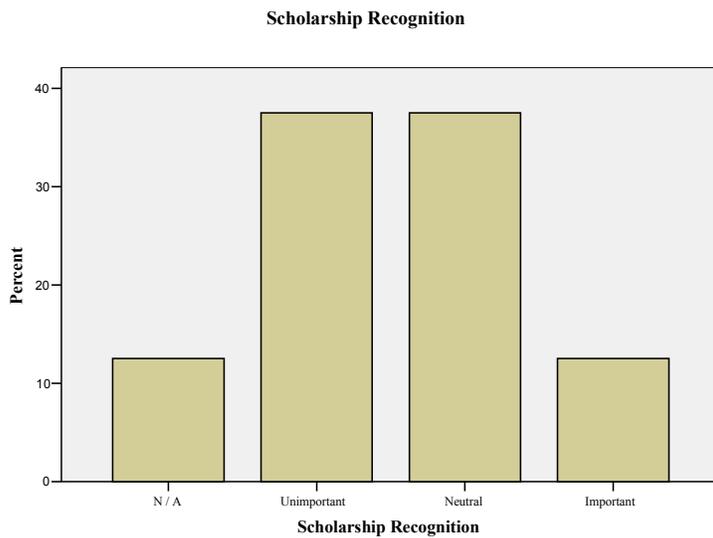


Figure 4.10

Rating of Scholarship Recognition by Half Scholarship Members



Research Question 2: *What are the most highly valued benefits of donation for Coaches Circle level donors?*

The results of the survey indicated that 55.9% of those Rams Club members who contributed at the Coaches Circle giving level rated priority seating at Football games “Very Important.” In addition, “Very Important” was the most frequently selected response for priority seating at Men’s Basketball games (44.1%), parking at Men’s Basketball games (26.5%) and parking at Football games (44.1%). These members rated naming rights as “Very Unimportant” and Coaches Circle social functions and Coaches Circle signature items as “Unimportant.” Percentages for the rating of benefits by Coaches Circle members can be found in table 4.4. Figure 4.11, 4.12 and 4.13 demonstrate the rating of priority seating at Men’s Basketball games, Coaches Circle social functions and Coaches Circle signature items by Coaches Circle members, respectively.

Table 4.4

Rating of Benefits by Coaches Circle Level Donors (%)

| | N/A | Very Unimportant | Unimportant | Neutral | Important | Very Important |
|--------------------------------------|------|------------------|-------------|---------|-----------|----------------|
| Parking at Football Games | 5.9 | 5.9 | 8.8 | 8.8 | 26.5 | 44.1 |
| Priority Seating at Football | 5.9 | 2.9 | 2.9 | 11.8 | 20.6 | 55.9 |
| Priority Seating at Men's Basketball | 17.6 | 2.9 | 2.9 | 8.8 | 23.5 | 44.1 |
| Parking at Men's Basketball | 20.6 | 14.7 | 8.8 | 17.6 | 11.8 | 26.5 |
| Naming Rights | 12.5 | 31.3 | 25 | 21.9 | 9.1 | 3.0 |
| Coaches Circle Social Functions | 21.9 | 12.5 | 28.1 | 25.0 | 6.3 | 6.3 |
| Coaches Circle Signature Items | 21.9 | 12.5 | 28.1 | 25.0 | 6.3 | 6.3 |

Figure 4.11

Rating of Priority Seating at Men's Basketball Games by Coaches Circle Members

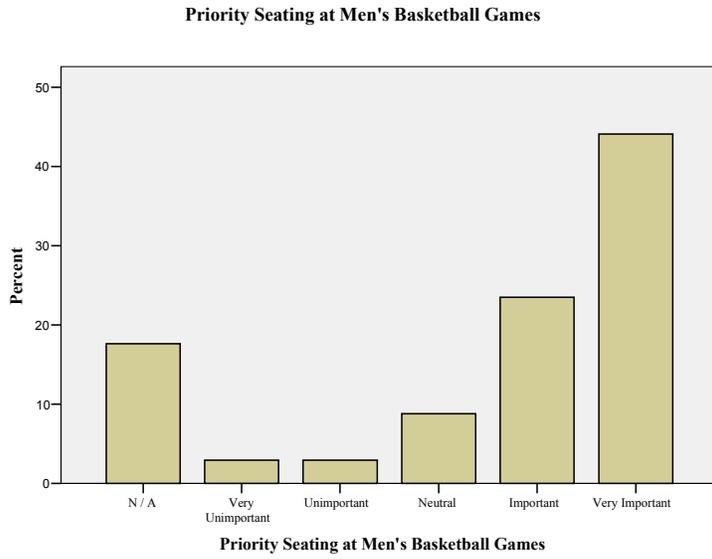


Figure 4.12

Rating of Coaches Circle Social Events by Coaches Circle Members

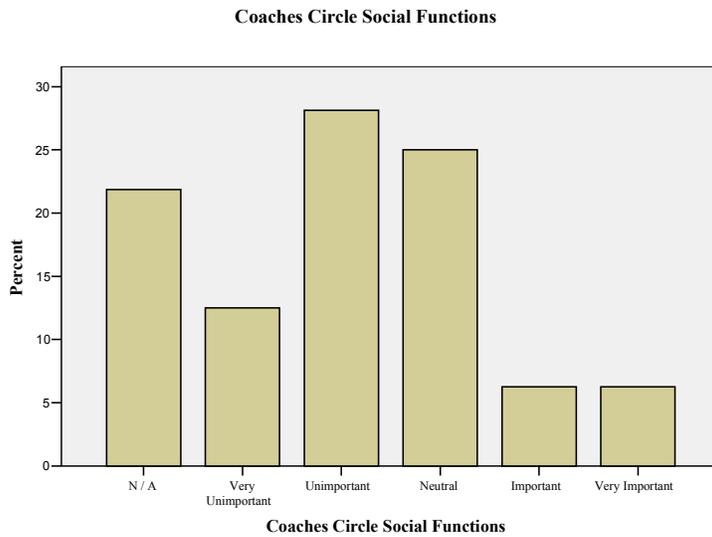
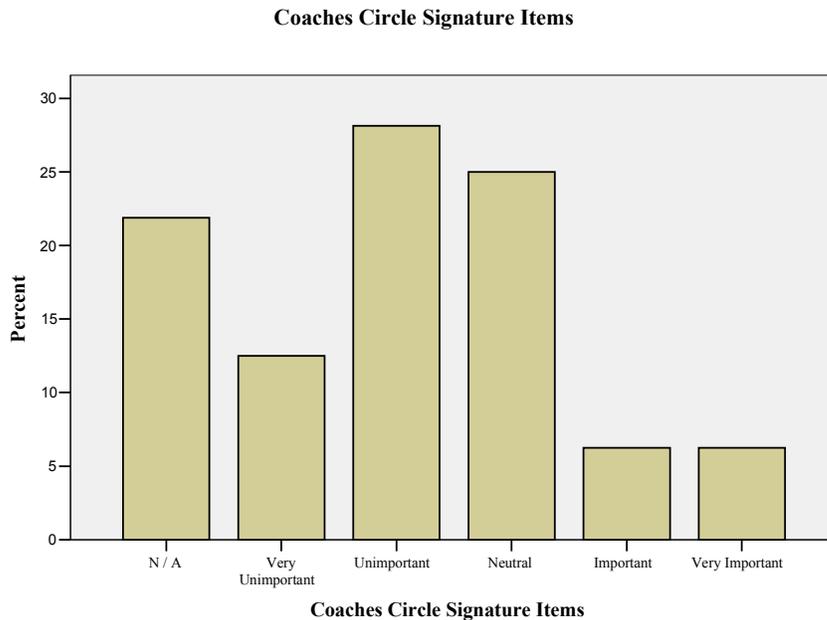


Figure 4.13

Rating of Coaches Circle Signature Items by Coaches Circle Members



Research Question 3: *What are the most highly valued benefits of donation for Super Ram level donors?*

Of the Rams Club members who contributed at the Super Ram level 60.4% rated priority seating at Football “Very Important.” Additionally, when rating benefits Super Ram members selected “Very Important” most often for the following benefits of donation: priority seating at Men’s Basketball games (47.2%), parking at Men’s Basketball games (34%), parking at Football games (48.1%), media guides (37%) and Tar Heel Monthly magazine (40%). Super Ram members did not most frequently rate any of the benefits they receive as “Unimportant” or “Very Unimportant” however this group rated 13 benefits of donation as “Neutral.” Percentages of the ratings selected by Super Ram level donors can be

found in Table 4.5. Figure 4.14 demonstrates the rating of priority seating at Men's Basketball games by Super Ram members.

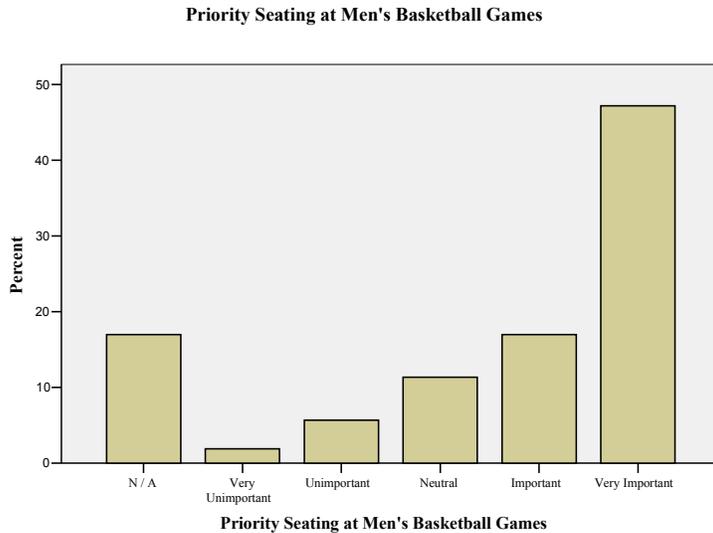
Table 4.5

Rating of Benefits by Super Ram Level Donors (%)

| | N/A | Very Unimportant | Unimportant | Neutral | Important | Very Important |
|--|------|------------------|-------------|---------|-----------|----------------|
| Parking at Football Games | 7.4 | 7.4 | 3.7 | 7.4 | 25.9 | 48.1 |
| Priority Seating at Football Games | 3.8 | 5.7 | 1.9 | 1.9 | 26.4 | 60.4 |
| Priority Seating at Men's Basketball Games | 17.0 | 1.9 | 5.7 | 11.3 | 17.0 | 47.2 |
| Parking at Men's Basketball Games | 18.9 | 7.5 | 9.4 | 15.1 | 15.1 | 34.0 |
| Tar Heel Monthly Magazine | 1.9 | 11.1 | 7.4 | 13.0 | 25.9 | 40.0 |
| Media Guide | 0.0 | 13.0 | 5.6 | 14.8 | 29.6 | 37.0 |

Figure 4.14

Rating of Priority Seating at Men's Basketball games by Super Ram Members



Research Question 4: What are the most highly valued benefits of donation for Big Ram level donors?

The results indicated that 48.9% of Rams Club members that contributed at the Big Ram annual giving level rated priority seating at Football games “Very Important.” Additionally, “Very Important” was the most frequently selected rating for the following benefits of donation: priority seating at Men’s Basketball games (39.3%), parking at Football games (35.7%) and priority points (45.4%). Discounts at Finley Golf Course (24.4%) and Rams Club golf tournaments (25.9%) were most frequently rated “Very Unimportant.” Table 4.6 provides the ratings of selected benefits by Big Ram level donors. Figure 4.15, Figure 4.16 and Figure 4.17 provide the rating of parking at Football games, discounts at Finley Golf Course and Rams Club golf tournaments by Big Ram members, respectively.

Table 4.6

Rating of Benefits by Big Ram Level Donors (%)

| | N/A | Very Unimportant | Unimportant | Neutral | Important | Very Important |
|--------------------------------------|------|------------------|-------------|---------|-----------|----------------|
| Parking at Football Games | 5.8 | 7.6 | 6.4 | 16.4 | 28.1 | 35.7 |
| Priority Seating at Football | 6.3 | 6.3 | 1.7 | 10.3 | 26.4 | 48.9 |
| Priority Seating at Men's Basketball | 14.5 | 5.2 | 5.2 | 13.9 | 22 | 39.3 |
| Priority Points | 5.2 | 5.2 | 2.3 | 11.5 | 30.5 | 45.4 |
| Discounts at Finley Golf Course | 9.3 | 27.3 | 15.1 | 22.1 | 17.4 | 8.7 |
| Rams Club Golf Events | 9.2 | 28.9 | 20.8 | 27.2 | 8.7 | 5.2 |

Figure 4.15

Rating of Priority Parking at Football games by Big Ram Members

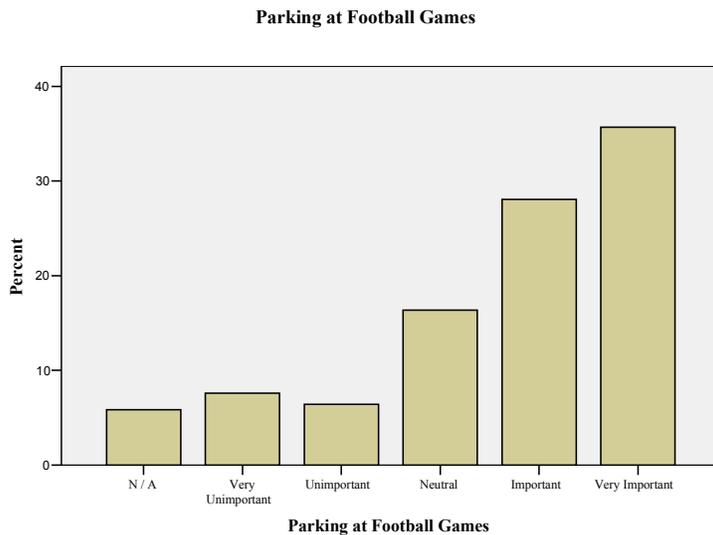


Figure 4.16

Rating of Discounts at Finley Golf Course by Big Ram Members

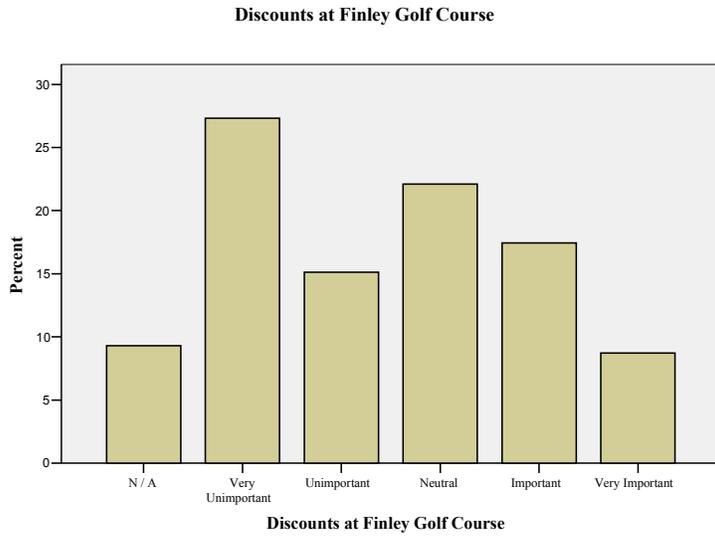
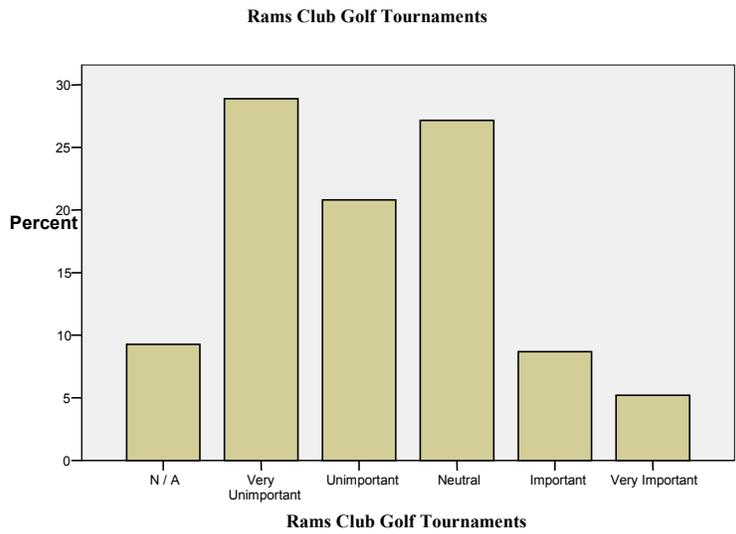


Figure 4.17

Rating of Rams Club Golf Tournaments by Big Ram Members



Research Question 5: *What are the most highly valued benefits of donation for Rameses level donors?*

Of the Rams Club donors who contributed at the Rameses annual gift level 65.3% rated priority seating at Football games “Very Important.” In addition, “Very Important” was the most frequently selected rating for priority seating at Men’s Basketball games (57.3%), parking at Men’s Basketball games (35.6%), parking at Football games (50.0%), individual game basketball tickets (36.0%), mini-season basketball ticket package (33.3%), media guides (41.9%) and priority points (38.4%). Rameses level donors most frequently rated naming rights (27.0%) as the only “Unimportant” or “Very Unimportant” benefit of donation. Table 4.7 demonstrates the rating of selected benefits by Rameses level donors. Figure 4.18 and Figure 4.19 demonstrate the rating of mini season ticket package and naming rights by Rameses members, respectively.

Table 4.7

Rating of Benefits by Rameses Level Donors (%)

| | N/A | Very Unimportant | Unimportant | Neutral | Important | Very Important |
|--------------------------------------|------|------------------|-------------|---------|-----------|----------------|
| Parking at Football Games | 4.1 | 4.1 | 5.4 | 14.9 | 21.6 | 50 |
| Priority Seating at Football | 1.3 | 2.7 | 1.3 | 6.7 | 22.7 | 65.3 |
| Priority Seating at Men's Basketball | 14.7 | 4.0 | 2.7 | 5.3 | 16.0 | 57.3 |
| Parking at Men's Basketball Games | 17.8 | 4.1 | 4.1 | 13.7 | 27.7 | 35.6 |
| Priority Points | 6.8 | 2.7 | 4.1 | 11.0 | 37 | 38.4 |
| Individual Game Basket Ball Tickets | 8.0 | 8.0 | 5.3 | 8.0 | 34.7 | 36.0 |
| Mini Season Basket Ball Packages | 8.0 | 9.3 | 5.3 | 13.3 | 30.7 | 33.3 |
| Media Guide | 4.1 | 4.1 | 8.1 | 9.5 | 32.4 | 41.9 |
| Naming Rights | 16.2 | 27.0 | 23.0 | 27.0 | 5.4 | 1.4 |

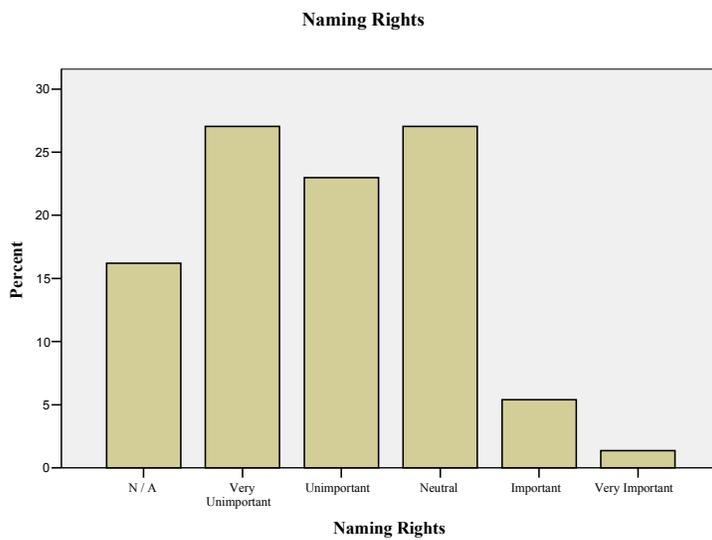
Figure 4.18

Rating of Mini Season Ticket Package by Rameses Members



Figure 4.19

Rating of Naming Rights by Rameses Members



Research Question 6: *What are the most highly valued benefits of donation for Ram level donors?*

The survey results showed that 55.0% of Rams Club members that contributed at the Ram annual giving level rated priority seating at Football games “Very Important.” In addition, “Very Important” was the most frequently selected response for priority seating at Men’s Basketball games (45.6%), parking at Men’s Basketball games (26.4%), parking at Football games (40.6%), individual game basketball tickets (50.0%), mini-season basketball ticket package (30.5%), Tar Heel Monthly magazine (35.0%) and priority points (50.0%). Ram level donors did not most frequently rate any benefits of donation as “Unimportant” or “Very Unimportant.” Table 4.8 demonstrates the rating of selected benefits by Ram level donors. Figure 4.20 provides the rating of Tar Heel Monthly magazine by Ram members.

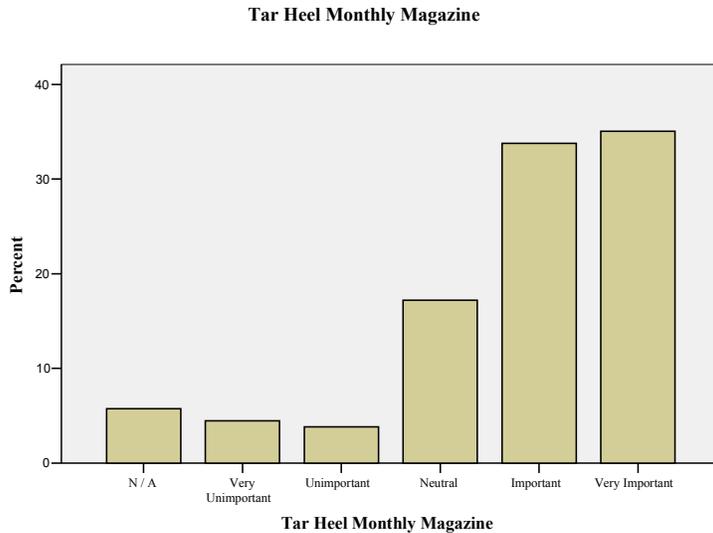
Table 4.8

Rating of Benefits by Ram Level Donors (%)

| | N/A | Very Unimportant | Unimportant | Neutral | Important | Very Important |
|--|------|---------------------|-------------|---------|-----------|-------------------|
| Parking at Football Games | 4.4 | 10.0 | 5.0 | 13.1 | 26.9 | 40.6 |
| Priority Seating at Football | 1.3 | 8.8 | 2.5 | 8.8 | 23.8 | 55.0 |
| Priority Seating at Men's Basketball | 5.6 | 7.5 | 4.4 | 13.1 | 23.8 | 45.6 |
| Parking at Men's Basketball Games | 10.1 | 9.4 | 7.5 | 22 | 24.5 | 26.4 |
| Priority Points | 5.2 | 7.1 | 2.6 | 9.0 | 25.5 | 50.0 |
| Individual Game Basket Ball Tickets | 3.2 | 5.2 | 2.6 | 18.7 | 29.0 | 41.3 |
| Mini Season Basket Ball Packages | 4.5 | 7.8 | 7.8 | 22.7 | 26.6 | 30.5 |
| Tar Heel Monthly Magazine | 5.7 | 4.5 | 3.8 | 17.2 | 33.8 | 35.0 |

Figure 4.20

Rating of Tar Heel Monthly Magazine by Ram Members



Research Question 7: What are the most highly valued benefits of donation for Tar Heel level donors?

Of those Rams Club members that contributed at the Tar Heel annual giving level 52.4% rated priority seating at Men’s Basketball games “Very Important.” Furthermore, Tar Heel level donors most often selected “Very Important” when rating priority seating at Football games (51.0%), parking at Men’s Basketball games (30.2%), parking at Football games (44.4%), individual game basketball tickets (37.1%), media guides (41.9%), Tar Heel Monthly magazine (49.2%) and priority points (50.0%). Tar Heel level donors responded that discounts at Finley Golf Course (23.2%) and Rams Club Golf Tournaments (23.2%) were “Very Unimportant.” Percentages of the ratings of selected benefits of donation by Tar Heel level donors can be found in Table 4.9. Figure 4.20 and 4.21 demonstrate the rating of media guides and Rams Club golf tournaments by Tar Heel members

Table 4.9

Rating of Benefits by Tar Heel Level Donors (%)

| | N/A | Very Unimportant | Unimportant | Neutral | Important | Very Important |
|---|------|---------------------|-------------|---------|-----------|-------------------|
| Parking at Football Games | 12.7 | 7.9 | 3.2 | 11.1 | 20.6 | 44.4 |
| Priority Seating at Football | 3.2 | 6.5 | 3.2 | 6.5 | 29.0 | 51.0 |
| Priority Seating at Men's Basketball | 4.3 | 0.0 | 7.9 | 4.8 | 20.6 | 52.4 |
| Parking at Men's Basketball Games | 19.0 | 7.9 | 9.5 | 14.3 | 19.0 | 30.2 |
| Priority Points Individual Game Basket Ball | 6.5 | 1.6 | 1.6 | 17.7 | 22.6 | 50.0 |
| Tickets | 8.1 | 4.8 | 1.6 | 19.4 | 29.0 | 37.1 |
| Media Guides | 3.2 | 1.6 | 3.2 | 14.5 | 35.5 | 41.9 |
| Tar Heel Monthly Magazine | 0.0 | 1.6 | 4.9 | 6.6 | 37.7 | 49.2 |
| Discounts at Finley Golf Course | 9.5 | 25.4 | 12.7 | 22.2 | 17.5 | 12.7 |
| Rams Club Golf Events | 11.3 | 25.8 | 19.4 | 25.8 | 14.5 | 3.2 |

Figure 4.21

Rating of Media Guides by Tar Heel Members

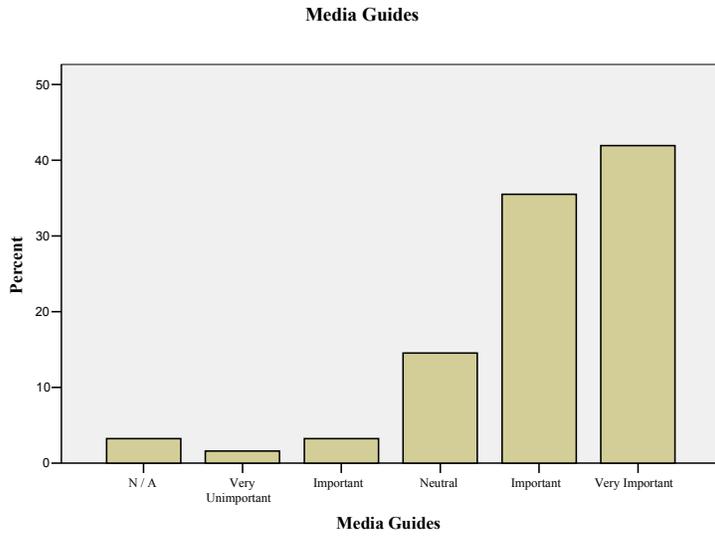
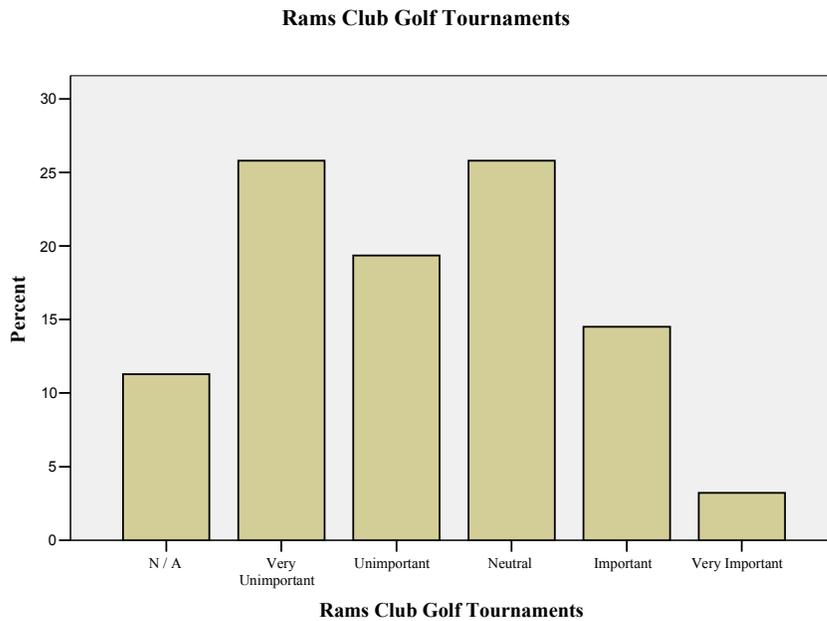


Figure 4.22

Rating of Rams Club Golf Tournaments by Tar Heel Members



Research Question 8: *What are the most highly valued benefits of donation for Student Ram level donors?*

Of the Rams Club members that contribute at the Student Ram level 80.0% of them identified priority points as “Very Important.” In addition, “Very Important” was the most frequent response for priority seating at Men’s Basketball games (50.0%), parking at Men’s Basketball games (40.0%), priority seating at Football games (60.0%), parking at Football games (50.0%), individual game basketball tickets (37.5%), mini-season basketball ticket package (37.5%), media guides (44.4%), promotional materials (40.0%), auto license plate holder / car decal / member card (40.0%) and access to Kenan Stadium guest boxes (40.0%). Student Rams most frequently rated season passes to Olympic sports events, discounts at Finley Golf Course and Rams Club Golf Tournaments as “Very Unimportant.” Table 4.10 demonstrates the rating of selected benefits by Student Ram members. Figure 4.23 demonstrates the rating of promotional materials by Student Rams members.

Table 4.10

Rating of Benefits by Student Ram Level Donors (%)

| | N/A | Very Unimportant | Unimportant | Neutral | Important | Very Important |
|--|------|---------------------|-------------|---------|-----------|-------------------|
| Parking at Football Games | 0.0 | 10.0 | 0.0 | 0.0 | 40.0 | 50.0 |
| Priority Seating at Football | 0.0 | 10.0 | 0.0 | 0.0 | 30.0 | 60.0 |
| Priority Seating at Men's Basketball | 10.0 | 0.0 | 20.0 | 0.0 | 20.0 | 50.0 |
| Parking at Men's Basketball Games | 10.0 | 0.0 | 20.0 | 0.0 | 30.0 | 40.0 |
| Priority Points Individual Game | 0.0 | 10.0 | 10.0 | 0.0 | 0.0 | 80.0 |
| Basket Ball Tickets | 0.0 | 12.5 | 0.0 | 25.0 | 25.0 | 37.5 |
| Mini Season Basket Ball Package | 0.0 | 0.0 | 12.5 | 25.0 | 25.0 | 37.5 |
| Media Guides Promotional Materials | 0.0 | 0.0 | 11.1 | 11.1 | 33.3 | 44.4 |
| Access to Kenan Boxes | 0.0 | 20.0 | 0.0 | 20.0 | 20.0 | 40.0 |
| Decal/Membership Card | 20.0 | 10.0 | 10.0 | 0.0 | 20.0 | 40.0 |
| Discounts at Finley Golf Course | 0.0 | 10.0 | 30.0 | 0.0 | 20.0 | 40.0 |
| Rams Club Golf Events | 10.0 | 40.0 | 0.0 | 40.0 | 10.0 | 0.0 |
| Olympic Sports Pass | 11.1 | 44.4 | 0.0 | 33.3 | 11.1 | 0.0 |
| | 22.2 | 33.3 | 0.0 | 22.2 | 22.2 | 0.0 |

Figure 4.23

Rating of Promotional Materials by Student Ram Members



Research Question 9: *What are the most highly valued benefits of donation for all Rams Club donors?*

An analysis of the responses of all survey respondents from each level of annual donation to the Rams Club indicated 54.6 % identified priority seating at Football games as “Very Important.” Additionally, “Very Important was selected most frequently for priority seating at Men’s Basketball games (45.4%), parking at Men’s Basketball games (27.0%), parking at Football games (41.2%), individual game basketball tickets (38.6%), Tar Heel Monthly Magazine (39.6%) and priority points (46.7%). The combined analysis of all responses found that no benefits of donation were most frequently rated “Unimportant” or “Very Unimportant.” Table 4.11 provides the rating of selected benefits by members of all levels of donation. Figure 4.24, Figure 4.25, Figure 4.26, Figure 4.27, Figure 4.28, Figure 4.29 and Figure 4.30 demonstrate the rating of priority seating at Men’s Basketball games, priority seating at Football games, parking at Men’s Basketball games, parking at Football

games, individual Men’s Basketball tickets, Tar Heel Monthly magazine and priority points by members of all levels of contribution, respectively.

Table 4.11

Rating of Benefits by Donors of all Levels (%)

| | N/A | Very Unimportant | Unimportant | Neutral | Important | Very Important |
|--------------------------------------|------|------------------|-------------|---------|-----------|----------------|
| Parking at Football Games | 6.1 | 7.7 | 5.6 | 12.3 | 27.2 | 41.2 |
| Priority Seating at Football | 3.5 | 6.2 | 2.4 | 7.9 | 25.4 | 54.6 |
| Priority Seating at Men's Basketball | 12.4 | 4.8 | 4.9 | 10.3 | 22.2 | 45.4 |
| Parking at Men's Basketball Games | 15.2 | 8.3 | 7.8 | 17.9 | 23.7 | 27.0 |
| Priority Points Individual Game | 5.2 | 5.0 | 3.2 | 11.0 | 29.0 | 46.7 |
| Basket Ball Tickets | 6.6 | 7.1 | 3.5 | 13.5 | 30.6 | 38.6 |
| Tar Heel Monthly Magazine | 3.2 | 4.5 | 4.0 | 13.1 | 35.6 | 39.6 |

Figure 4.24

Rating of Priority Seating at Men's Basketball games by Members of All Levels of Contribution

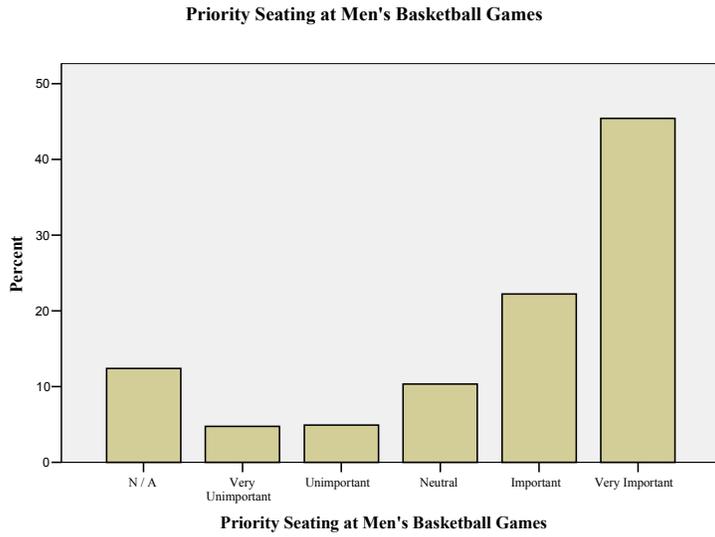


Figure 4.25

Rating of Priority Seating at Football games by Members of All Levels of Contribution

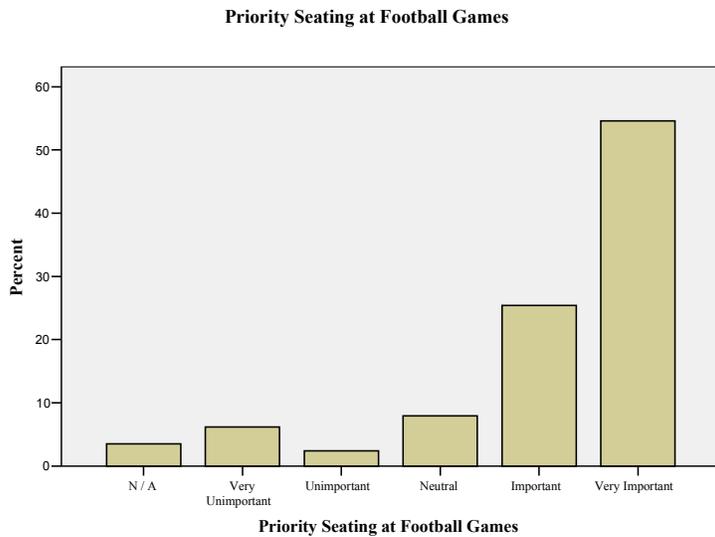


Figure 4.26

Rating of Priority Parking at Men's Basketball Games by Members of All Levels of Contribution

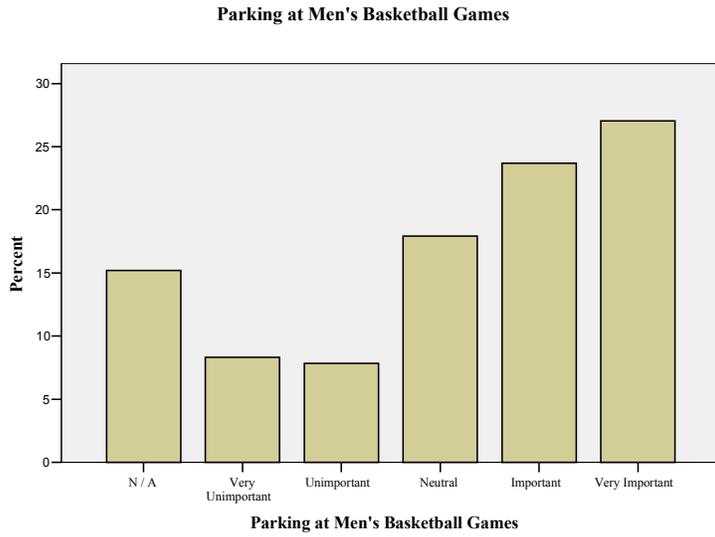


Figure 4.27

Rating of Priority Parking at Football Games by Members of All Levels of Contribution

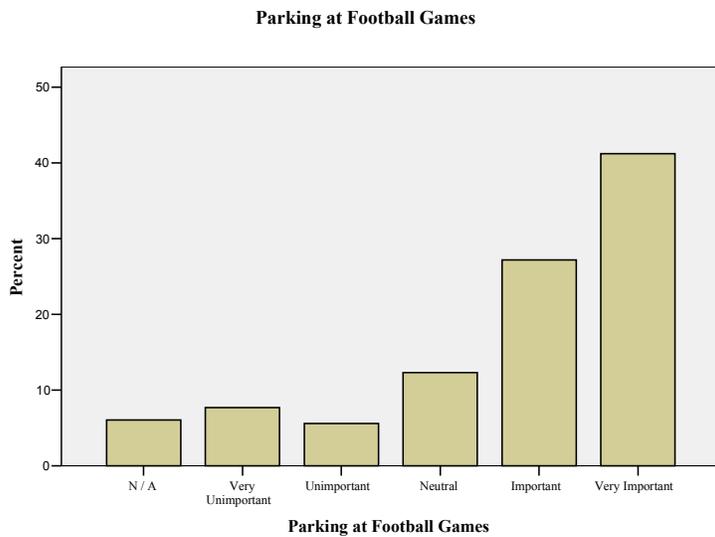


Figure 4.28

Rating of Individual Men's Basketball Tickets by Members of All Levels of Contribution

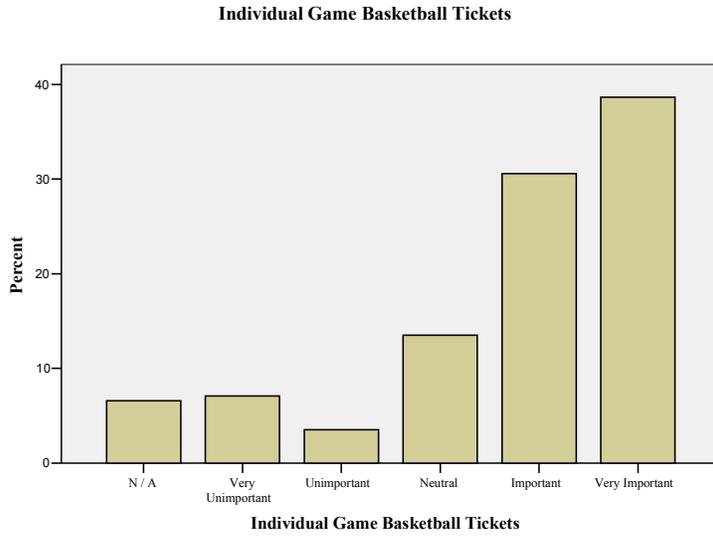


Figure 4.29

Rating of Tar Heel Monthly Magazine by Members of All Levels of Contribution

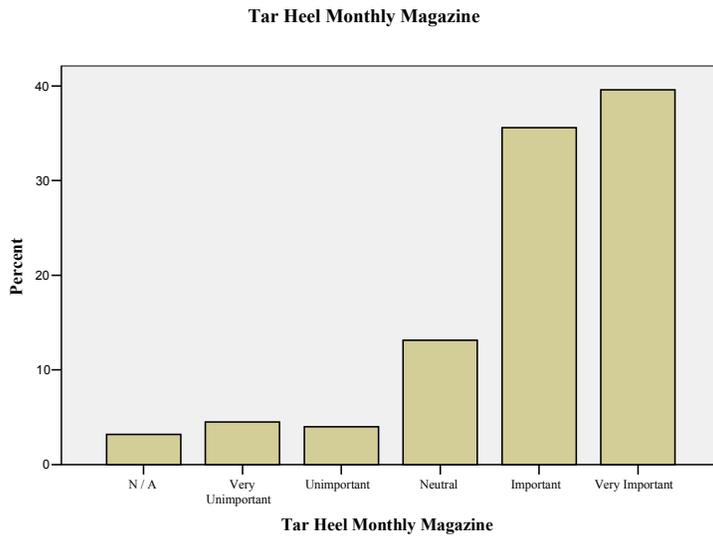
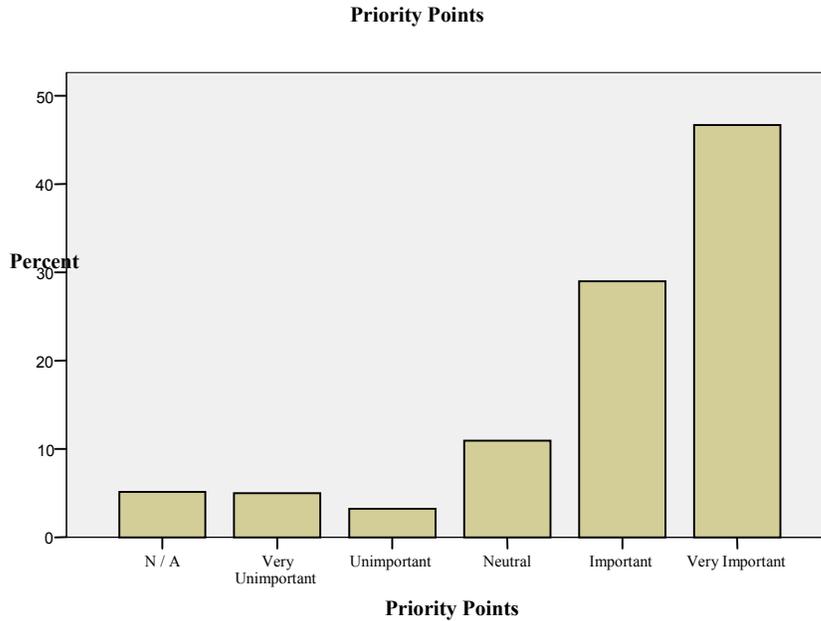


Figure 4.30

Rating of Priority Points Members of All Levels of Contribution



Description of the Chi Square Analysis

Chi Square analysis were performed to determine if there was a statistically significant relationship between annual giving level and any of the demographic characteristics collected by the survey. Significant relationship were found between three demographic characteristics and giving level when testing at an alpha level of .05. A statistically significant relationship was found between giving level and age $X^2(20)=130.065, p<.0005$. A statistically significant relationship was found between giving level and annual household income $X^2(60)=203.159, p<.0005$. However, due to 62.3% of cells having had expected frequencies less than five this analysis should be interpreted with caution. Additionally, a statistically significant relationship was also found between giving level and

gender $X^2(10)=26.382, p=.003$. Tables 4.12, 4.13 and 4.14 provide the result of the Chi Square analysis for each significant finding.

Table 4.12

Chi Square Results for Giving Level and Age

| | Value | Df | P-Value |
|--------------------|----------|----|---------|
| Pearson Chi Square | 130.065* | 20 | 0.000 |
| Likelihood Ratio | 122.284 | 20 | 0.000 |
| Liner-by-Linear | 33.456 | 1 | 0.000 |

Association of N Value
Cases 686

* 8 cells (24.2%) have expected count less than 5. The minimum expected count is 1.03.

Table 4.13

Chi Square Results for Giving Level and Annual Household Income

| | Value | Df | P-Value |
|--------------------|----------|----|---------|
| Pearson Chi Square | 203.159* | 60 | 0.000 |
| Likelihood Ratio | 174.933 | 60 | 0.000 |
| Liner-by-Linear | 49.767 | 1 | 0.000 |

Association of N
Value Cases 652

* 48 cells (62.3%) have expected count less than 5. The minimum expected count is .08.

Table 4.14

Chi Square Results for Giving Level and Gender

| | Value | Df | P-Value |
|------------------------|---------|----|---------|
| Pearson Chi Square | 26.382* | 10 | 0.003 |
| Likelihood Ratio | 26.904 | 10 | 0.003 |
| Liner-by-Linear | 6.302 | 1 | 0.012 |
| Association of N Value | | | |
| Cases | 683 | | |

* 7 cells (31.8%) have expected count less than 5. The minimum expected count is .91.

Chi Square analysis were also performed to determine if a relationship exists between the current annual monetary contribution to the Rams Club and the rating of each benefit. One significant relationship was found when testing at an alpha level of .05. At that alpha level a significant relationship existed between giving level of donor and their rating of Peebles Practice Gym pre-game passes as a benefit of donation. A significant value of $X^2(50)=70.665, p=.029$ was found for this relationship. However, due to the fact that greater than 25.0% of the cells had expected frequencies less than 5 this analysis should be interpreted with caution.

Table 4.15

Peebles Practice Gym Pre-Game Passes Chi Square Tests

| | Value | Df | P-Value |
|------------------------|---------|----|---------|
| Pearson Chi Square | 70.665* | 50 | 0.029 |
| Likelihood Ratio | 76.754 | 50 | 0.009 |
| Liner-by-Linear | 0.928 | 1 | 0.335 |
| Association of N Value | | | |
| Cases | 609 | | |

*33 cells (50.0%) have expected count less than 5. The minimum expected count is .47.

CHAPTER 5

SUMMARY AND RECOMMENDATIONS

The primary purpose of this study was to determine the most valuable benefits of donation to current Rams Club donors. The secondary purpose of this study was to provide a demographic profile of the Rams Club membership. The following section will provide a discussion of the findings, conclusions and recommendations and areas for future research.

Summary of the Findings

In order to collect the information necessary to fulfill the purpose of this study the researcher provided all members of the Rams Club with email addresses an online survey for completion. The respondents were asked to answer several questions pertaining to their demographics and a question asking them to rate the benefits of monetary donation they receive as members of the Rams Club. Demographically the results indicated that the Rams Club membership was heavily dominated by members that were Caucasian (98.1%) and male (81.9%) with 63.1% falling between the age of 35 and 64. With respect to the age of Rams Club members the results were consistent with previous research by Tsotsou (2004) that found 70.16% of donors to be male. Retired, financial services/insurance, sales, real estate and education had the largest percentage of industry of employment responses. The first four industries of employment were expected due to the high income potential in each as well as the more mature financial situation of most retirees. The higher frequency responses in education as an industry of employment may be due to the educational tie with the

University. Additionally, a majority (57.9%) of members responded that their current average annual household income was between \$50,000 and \$149,000. These findings were consistent with Tsotsou (2004) that found 59.3% of donors earned between \$49,999 and \$149,999 per annum. These more modest amounts could have been attributed to the relatively low cost of membership at the lower annual giving levels. Furthermore, with only 11.3% of members having contributed a major gift, greater incomes were not required to maintain membership.

Additionally, significant relationships were found between giving level and age, giving level and annual household income as well as giving level and gender. These results indicated that there existed statistically significant relationships between the level at which Rams Club donors gave and their age, gender and annual household income. These findings are important as they demonstrate that age, gender and annual household income are significantly related to a donor's giving power. These significant relationships are consistent with Tsotsou (2004) which found that in 77.7% of cases demographic characteristics can be used to correctly classify a donor's giving ability. Tsotsou (2004) also stated that those donors with high incomes make larger donations and those with lower incomes make smaller donations. The results of this study were consistent with Tsotsou (2004) in that 32.0% of Rams Club members that funded full scholarships earned more than \$500,000 per annum and of those members that contributed \$1000 or less 61.3% percent earned less than \$149,999 per annum.

Research Question 1: *What are the most highly valued benefits of donation for Endowment level donors?*

Both full scholarship donors and half scholarship donors rated priority seating at football games, parking at football and parking at basketball “Very Important” as the most frequent response. These findings were consistent with findings by Gladden (2005), Isherwood (1986) and Hammersmith (1985) who found that tickets and parking are most important to donors. However, while full scholarship donors most frequently rated priority seating at Men’s Basketball games as “Very Important,” half scholarship donors did not rate priority seating at Men’s Basketball games “Very Important” with the same frequency. Possible explanations for these findings could be that half scholarship donors received basketball tickets in the upper level of the basketball arena. These less desirable seats, as compared to the lower level seats that most full scholarship donors receive, may explain why half scholarship donors did not most frequently assign priority seating to Men’s Basketball games the rating of “Very Important.” Due to the larger number of seats in the football arena half scholarship donors were able to receive more preferential seating. This may have caused half scholarship donors to rate priority seating at Football “Very Important” while priority basketball seating did not receive an equal rating.

Between full and half scholarship donors the annual scholarship dinner, scholarship recognition, access to the Rams Room and access to the Peebles Practice facility were most frequently rated “Unimportant” or “Very Unimportant.” These findings are contrary to Isherwood (1986) that demonstrated that special recognition and social functions were valuable to donors after tickets and parking. In addition, Gladden (2005) found social functions to be one of a donor’s important motivations to give. Better implementation of these events may have allowed for a more positive rating.

Research Question 2: *What are the most highly valued benefits of donation for Coaches Circle level donors?*

Coaches Circle members rated priority seating at Men's Basketball games, parking at Men's Basketball games, priority seating at Football games and parking at Football games "Very Important" most frequently. These results were consistent with previous research which indicated ticket priority and parking were important to donors (Gladden, 2005; Hammersmith, 1985; Hebing, 2005; Isherwood, 1986).

The results also demonstrated that Coaches Circle members most frequently rated Coaches Circle items and Coaches Circle social functions "Unimportant." These results were not consistent with previous research by Isherwood (1986) or Gladden (2005) and are cause for concern for Rams Club staff members. Despite the lack of a statistically significant relationship between the two benefits and giving level [$X^2(50), p=.539$ and $X^2(50), p=.718$] it should be noted that the only group with access to these benefits rated them "Unimportant" most frequently. Further, 25.0% of Coaches Circle members rated Coaches Circle items and social functions as "Neutral" most frequently. Due to the cost associated with providing these benefits it is important that Rams Club staff note that a combined 65.6% of Coaches Circle members most frequently rated their exclusive benefits "Neutral," "Unimportant," or "Very Unimportant." These findings are not consistent with findings by Isherwood (1986) that found social functions to be important to donors.

Research Question 3: *What are the most highly valued benefits of donation for Super Ram level donors?*

Those donors that gave at the Super Ram level rated priority seating at Men's Basketball, parking at Men's Basketball games, priority seating at Football games, parking at

Football games, Tar Heel Monthly Magazine and media guides “Very Important” as the most frequent response. These findings are consistent with the previous research of Gladden (2005), Hammersmith (1985), Hebbing (2005) and Isherwood (1986) that identifies tickets and parking as valuable benefits. The rating of Tar Heel Monthly Magazine and media guides as “Very Important” most frequently is consistent with additional finding of Gladden (2005) which stated that membership benefits were an important benefit of donation.

Research Question 4: *What are the most highly valued benefits of donation for Big Ram level donors?*

Big Ram level donors rated priority seating at Men’s Basketball, priority seating at Football games, parking at Football games and priority points “Very Important” most frequently. These findings are consistent with previous research that identifies tickets and parking as valuable to donors (Gladden, 2005; Hammersmith, 1985; Hebing, 2005; Isherwood, 1986). The rating of priority parking at Football games as “Very Important” to Big Ram donors was expected as this was the lowest level of monetary contribution at which the benefit was available to members. Also, the omission of parking at Men’s Basketball games from this list is not completely inconsistent with previous research in that Big Ram level donors most frequently rated parking at Men’s Basketball games “Important.”

Big Ram donors rated discounts at Finley Golf Course and Rams Club golf events “Very Unimportant” most frequently. These results are inconsistent with the findings of Gladden (2005) and Isherwood (1986) that indicated social events and membership benefits are valued by donors. However, there exists no previous research regarding the fact that both benefits are golf related.

Research Question 5: *What are the most highly valued benefits of donation for Rameses level donors?*

Rameses level donors most frequently rated priority seating at Men's Basketball, parking at Men's Basketball games, priority seating at Football games, parking at Football games, individual game tickets, mini-season packages, Tar Heel Monthly magazine, media guides and priority points "Very Important." The first six benefits of donation rated "Very Important" most frequently are consistent with previous research (Gladden, 2005; Hammersmith, 1985; Hebing, 2005; Isherwood, 1986). The rating of media guides and Tar Heel Monthly magazine as "Very Important" is consistent with Gladden (2005) that found membership benefits were an important donor motivation to give. Naming rights were most frequently rated "Very Unimportant" by Rameses level donors. These findings are inconsistent with Isherwood (1986) which found special recognition to be highly valued by donors. This disparity may have been a result of Rameses level donors' inability to give a substantial enough monetary gift to take advantage of naming rights.

Research Question 6: *What are the most highly valued benefits of donation for Ram level donors?*

Those Rams Club members that gave at the Ram level most frequently rated priority seating at Men's Basketball, parking at Men's Basketball games, priority seating at Football games, parking at Football games, individual game tickets, mini-season packages, Tar Heel Monthly magazine, and priority points "Very Important." Research by Gladden (2005), Hammersmith (1985), Hebing (2005) and Isherwood (1986) supports these results. Ram level donors did not most frequently rate any benefits of donation "Very Unimportant."

Research Question 7: *What are the most highly valued benefits of donation for Tar Heel level donors?*

Tar Heel level donors most frequently rated priority seating at Men's Basketball, parking at Men's Basketball games, priority seating at Football games, parking at Football games, individual game tickets, mini-season packages, Tar Heel Monthly magazine, media guides and priority points "Very Important." These findings are consistent with previous research Gladden, 2005; Hammersmith, 1985; Hebing, 2005; Isherwood, 1986).

Tar Heel level donors most frequently rated discounts at Finley Golf Course and Rams Club golf tournaments "Very Unimportant." These findings are inconsistent with Gladden (2005) and Isherwood (1986) which indicated social events and membership benefits are highly valued by donors.

Research Question 8: *What are the most highly valued benefits of donation for Student Ram level donors?*

Student Ram level donors chose a rating of "Very Important" most frequently for priority seating at Men's Basketball, parking at Men's Basketball games, priority seating at Football games, parking at Football games, individual game tickets, mini-season packages, Tar Heel Monthly magazine, promotional materials, decal/membership card, access to Kenan guest boxes, promotional materials, media guides and priority points. These findings were consistent with Gladden (2005), Hammersmith (1985), Hebing (2005) and Isherwood (1986).

Student Ram level donors most frequently rated discounts at Finley Golf Course, Rams Club golf tournament and Olympic sports passes as "Very Unimportant." These findings are inconsistent with findings by Gladden (2005) that indicated membership benefits were valued by donors and Isherwood (1986) that found social events were also valued by

donors. The most frequent rating of Olympic sport passes as “Very Unimportant” by Student Ram members may be due to their admittance to all UNC sporting events with out charge.

Research Question 9: *What are the most highly valued benefits of donation for all Rams Club donors?*

Results from all Rams Club members that participated in the study indicated that priority seating at Men’s Basketball, parking at Men’s Basketball games, priority seating at Football games, parking at Football games, individual game Men’s Basketball tickets, Tar Heel Monthly magazine and priority points were rated “Very Important” most frequently. The rating of tickets and parking are consistent with Gladden (2005), Hammersmith (1985), Hebing (2005) and Isherwood (1986) which each found tickets and parking to be highly valued by donors. Additionally, the most frequent rating of Tar Heel Monthly magazine and priority points as “Very Important” was consistent with Gladden (2005) which found membership benefits highly valued by donors. Results from all Rams Club donors did not indicated that any benefit of donation was most frequently rated “Very Unimportant.”

The results of those questions that asked donors to rate the benefits they receive for their contributions to the Rams Club found only one significant finding between giving level and a rated benefit however, other valuable information was collected. An aggregate analysis of the responses of each giving level indicated that 1) priority seating at football games, 2) priority seating at men’s basketball games 2) parking at football games 4) parking at men’s basketball games, 4) priority points, 6) media guides and 7) Tar Heel Monthly Magazine were the benefits of donations most often rated “Very Important” by each giving level. The ranking of the first four benefits of donation was consistent with previous research (Gladden, 2005; Hammersmith, 1985; Isherwood, 1986) and with the popularity of men’s basketball

and football. It was unexpected that 7 of the 8 giving levels rated priority men's basketball tickets "Very Important" and 8 of the 8 giving level rated priority football tickets "Very Important." This could have been explained by the restriction of access to men's basketball season tickets to full and half scholarship donors only however half scholarship donors were the only giving level that rated priority men's basketball tickets as "Important" and not "Very Important."

The results also indicated which benefits of donation were least valued by Rams Club members. 1) Discounts at Finley Golf Course, 1) Rams Club Golf events, 3) naming rights, 4) Coaches Circle functions, 4) Coaches Circle items and 4) scholarship recognition were the benefits of donation most often rated "Very Unimportant" or "Unimportant" by each giving level. The low rating of the first three "Very Unimportant" benefits of donation may have been explained by a simple lack of use. Naming rights were reserved for only the largest donations and they were rated "Very Unimportant" by two non-major gift levels of annual donation. The low rating of the discount at Finley Golf Course may have been due to its use only by those donors who lived in the Chapel Hill area or by members when in Chapel Hill. A discussion of the rating of Coaches Circle items and Coaches Circle social events as "Unimportant" is below. Additional conclusions can be drawn regarding each level of annual contribution and research question.

Conclusions & Recommendations

The results from this study could be of use to the athletic development staff of any Division I-A institution. However, the results of this study may be of particular importance to members of the Rams Club staff as the survey's results were direct responses from its

membership. When extending relevance beyond UNC and the Rams Club it should be noted that each institution, its athletic department and its donor base maintains a unique set of characteristics that must be considered when interpreting these recommendations. The following recommendations could be useful in designing and implementing the most satisfactory and effective benefit structure for donors and fund raising organizations as they seek to provide increased funding for athletic departments.

1) Continue associating a high dollar value gift with the four most highly valued benefits of donation (priority seating at men’s basketball games, priority seating at football games, parking at men’s basketball games, parking at football games). These are the most highly valued assets and thus the greatest fund raising tool. Maintaining the high cost of these items particularly seating and parking at men’s basketball games will allow for the preservation of value for previous donations as well as provide fund raisers a tool to leverage potential major gifts.

2) Continue providing those benefits that donors rated “Very Important” and are offered at almost all annual giving levels (priority points, media guides and Tar Heel Monthly Magazine). In some instances it may be advantageous to marginally increase the giving level required to receive these highly rated benefits in order to increase upward donor mobility and overall donations.

3) It may be important for organizations to examine those benefits that were rated “Very Unimportant” (Discounts at Finley Golf Course, Rams Club Golf events, naming rights) as well as those that were rated “Unimportant” (Coaches Circle social functions, Coaches Circle signature items). It may be particularly important for staff members to

conduct a cost benefit analysis upon these items. In some instances it will be advantageous to no longer offer or modify the benefit.

4) It may be necessary to increase the value provided to student members. In the survey these members rated the largest number of items “Unimportant” or “Very Unimportant.” Staff members will want to create new benefits that may not appeal traditional donors but will be more applicable to students. However, future donating power of these donors must be weighted against current donating power and cost when determining new benefits for this group.

Future Studies

This section provides suggestions for improvements to this study as well as future areas of research. First, in order to improve the accuracy of donor ratings, donors may be restricted to evaluating only those benefits they actually received according to the benefit structure. This may better capture how donors rate those benefits they actually receive versus those they might like to receive. Secondly, expanding the scope of the survey to include donors from a large variety of schools would be beneficial. It may allow the researcher to increase the numbers of surveys completed and hopefully allow for additional statistically significant findings. Additionally, expanding the study would allow for demographic and valuation comparisons between donor bases. It would also allow for easier generalization to other institutions. Recognizing the logistical concerns of gaining access to additional donor populations expanding to additional institutions would greatly increase the relevancy of the study.

Finally, the responses from this survey have raised an additional direction that could be used for future research. Research may be completed that examines the following

question: Would increasing the amount required to obtain a highly valued benefit of donation increase upward donor mobility and overall donations? If a researcher could gain access to a fund raising organization that had recently reorganized its benefit structure it may be very important to see if the movement of highly valued benefits caused upward donor movement, no movement or a loss of members at that level as well as how that effected overall fund raising efforts for the organization.

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