Impact of Matching Funds: Help or Hindrance

by

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Abstract

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In the absence of sufficient public resources or market opportunities to increase tuition fees to implement or augment necessary or desired initiatives, one tool often employed is philanthropy, usually by universities themselves but sometimes in association with government. This study explores the impact of matching funds on philanthropy through, first, a survey of alumni donors to matching programs at the University of Toronto between the years of 1995-2005, a period during which the government had in place a matching program. Subsequently, interviews and focus-group sessions augmented the survey results.

Typically, philanthropy and, in particular, matching programs are seen and studied as bilateral relationships between donors and institutions. Institutions make plans for raising funds and approach donors whom they believe will be receptive to their “cause.” Donors, who may be solicited simultaneously by other institutions to support either the same or different causes, respond or not depending on their wherewithal and particular interests.

The object of this study is a trilateral approach to fundraising that involves the government as well as institutions and donors. This raises questions about how donors respond to agency relationships and the triangular inter-relationships between the state, the academy, and the philanthropic market in raising funds in the public interest as well as institutional interests. It
is in this context that Salamon speaks about “the third sector” and Burton Clark describes the “triangle” paradigm for which he is well known.

The ambivalence of many respondent donors indicates that, in Clark’s terms, there is a limit in the degree to which the state-market leg of the triangle can be tightened or otherwise manipulated to advance public policy goals. Even when the state seeks to motivate charitable giving by influencing the state-market leg, the institutional performance as represented by the university-market leg still makes a powerful difference. Some key findings from this study, are these. Donors seemed unconcerned or even unaware about some of the conditions attached to the government’s matching program. Some donors were motivated favourably by the “cause” (scholarship support) but less so by the match. In other words, “cause” and “match” are not synonymous.
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Chapter One: Introduction

In the absence of sufficient public resources or market opportunities to increase tuition fees to implement or augment necessary or desired initiatives, one tool often employed is philanthropy. Salamon defines philanthropy as the private giving of time or valuables (money, security, property) for public purposes. Sulek (2010, p. 201.) The aim of philanthropy is typically to make a difference or affect the broader community. How is philanthropy encouraged? While there are a variety of means to encourage donations, the focus of this study is on the influence of matching funds on philanthropy. Specifically, I explored the impact of matching funds on philanthropy by undertaking a survey of donors who participated in matching programs at the University of Toronto between the years of 1995-2005. Subsequent interviews and focus group sessions augmented the survey results.

Typically, philanthropy and, in particular, matching programs are seen and studied as bilateral relationships between donors and institutions. Institutions make plans and set priorities for raising funds, identify and approach donors whom they believe will be receptive to their “cause.” Donors, who may be solicited by other institutions to support either the same or different causes, then respond or not depending on their wherewithal and particular interests, some of which may be self-interests. Studies of philanthropy and, perhaps surprisingly, of tax policy have long understood the role of “particularism,” in explaining donor (and taxpayer) preferences.

The object of this study is a trilateral approach to fundraising that involves the government as well as institutions and donors. This raises questions about how donors respond to agency relationships and the triangular inter-relationships between the state, the academy, and the philanthropic market in raising funds simultaneously in the public interest and institutional
interests. It is in this context that Salamon speaks about “the third sector” and Burton Clark describes the “triangle” paradigm for which he is well known. These concepts are central to the problem that this thesis will address.

This chapter provides background or the context to the study. It highlights the statement of the problem situation describing the subject that I address. A discussion of the purpose of the research, the rationale and significance of the study occurs. I share my own rationale for undertaking this examination. Finally, I review the specific foci of the study. I concentrate on the overall research questions, frameworks, scope and limitations of the study.

The thesis aims to provide the reader with general background on philanthropy, a brief overview of some of the relevant literature, an outline of the field research undertaken, an examination of some of its implications and some further questions to consider.

**Background of the Problem**

The concept of philanthropy, its ensuing impact and mechanisms to make it work, have secured greater awareness in the past few decades. It is hard to go about one’s daily life without interacting with an organization impacted by philanthropy or a charitable organization, be it a hospital, university or social service organization. Indeed, the statistics in Canada alone are staggering.

There are 85,000 registered charities recognized by the Canada Revenue Agency. The charitable and non-profit sector contributes an average of 8.1% of total Canadian GDP, more than the retail trade industry and close to the value of the mining, oil and gas extraction industry. Two million Canadians are employed in the charitable and non-profit sector and over 13 million people volunteer for charities and non-profits. Imagine Canada (2017, np.)

Why is it that there are so many charities and individuals involved in the non-profit sector? Gaudiani is one of the many individuals who has written on motivation for participation in philanthropic activities. Gaudiani (2005, p. 11) states, “generosity is a fundamental element of
democracy…and because generosity creates thriving. Generosity creates more wealth both for the individual who gives and for the community to which the recipient belongs.” The author also highlights why philanthropy features prominently in North American culture. Gaudiani traces this philanthropic ethos to the tenets of Judaism, Christianity and Islam and the shared commandment of “love thy neighbour as thyself.” Gaudiani (2005, p. 4.) Further demonstration that philanthropy exists in other religions such as Hinduism, Buddhism, Confucianism as well as the Yoruba faith is provided. Gaudiani (2005, p.7.)

If so many individuals are involved in the non-profit sector, then why do individuals specifically participate in fundraising initiatives? Lloyd in the book, Why Rich People Give, undertook research into the approaches individuals take to their charitable giving. Lloyd identifies five inter-locking influences as to why people give. These are: belief in the cause, a catalyst for change, self-actualisation (linking expertise with money), the moral dimension (putting something back into society), and relationships (staff in the recipient charity, other donors). Lloyd (2004.) For more information and further exploration on donor motivations for giving see Cook (1997), Curti and Nash (1965), Kidd (1996) as well as Reinhardt (2009.) A recent study takes a slightly different perspective although this may have more to do with the solicitation approach vs. the motivation behind giving. Grewell (2017, np) discusses,

a paper by psychologists Whillans, Caruso, and Dunn suggests a potential new explanation as to what motivates people to give to charity. When a donation request resonates strongly with our self-image, they argue, we are more likely to feel charitable. Across three studies, they found that people who earn less money are more likely to donate to charity when presented with a request that emphasizes social connection and community. In contrast, wealthier individuals are more likely to give money when presented with a request that appeals to their sense of independence and self-reliance. Whether you behave selfishly or generously may depend less on what you have and more on whether a request for help fits with how you see yourself.

According to the results of a survey undertaken by the Indiana University Lilly Family School of Philanthropy that identified people’s main motivations for giving, they were cited as: “to make a
difference (73.5%) and for personal satisfaction (73.1%). Receiving a tax benefit came way down in the eleventh place in the list of possible reasons for giving – cited by just 34.4% of respondents.” Blackman (2015, np.) Castillo, Petrie and Wardell (2014, p. 29) state, “there are two main reasons why people give to charity: (1) they have been asked and (2) they have been asked by someone they care about.” Oppenheimer (2015, p. 203) suggests yet another reason individuals donate, “namely, the benefit to the donors themselves. Donors accrue tremendous psychological benefits from giving.” Oppenheimer explores further personal benefit by affirming “some donors give to help themselves indirectly (e.g., giving to the alma mater to increase alumni giving rates, thus increasing their school’s rankings, which then enables them to benefit from having attended a highly ranked school.” Oppenheimer (2015, p. 204.)

There are 170,000 charitable and non-profit organizations in Canada; 85,000 of which are registered. A charity that is registered can issue tax receipts. Given it would be difficult to include all these organizations in a philanthropic study, how might it be possible to narrow the focus of this study? As I had the privilege of working as a fundraiser at two different universities for nearly two decades, the university sub-set of the education philanthropic sector provides a personally meaningful entity to study. According to a recent sector snapshot, there are 92 charities in the university sector representing 0.1% percent of charities in Canada. This equates to 5.3% of $1.35 billion in the sector’s share of total fundraising revenue. Nakoneshny, (2015, p.5.) Note, McGill University, University of British Columbia and the University of Toronto have all had $1 billion plus fundraising campaigns. The figure referenced by Nakoneshny may not consider these campaigns. The point of the quote is to indicate that there are many not for profits / charities within Canada. The post-secondary component of the charitable sector is relatively small in comparison.
As I wanted to study philanthropy in the Canadian university sector, I wanted to ensure there is enough donor donation history to study. Holmer (2012, p.27) states, “the need for charitable gifts is not new. Philanthropic support for public higher education reaches back to the early 1900s, when public universities needed funding assistance to build campus facilities because state funds were stretched thin.” The number and scale of fundraising campaigns continue to rise at post-secondary institutions. Part of the reason for this increase in fundraising initiatives is the negative impact of decreased government funding as well as rising institutional costs. Post-secondary institutions have increasingly relied on fundraising initiatives to meet a variety of institutional goals such as scholarships, programmatic or capital initiatives. Indeed, according to an interview participant for this study, JVF 44 stated, “post-secondary institutions have no choice but to fundraise.” At the same time, Nakoneshny (2017, p.3) states:

recent data show that while the population aged 15 and up is growing, the percent of the population who report giving to charity is on the decline. While the decline is slight (three percentage points between 2004 and 2013), if the donor rate had remained steady at 85% and factoring in the increase in population, total donors would be 24.8 million rather than 24 million … meaning a loss of approximately 800,000 donors in total.

Further, the percentage of tax filers claiming charitable receipts has declined as depicted in figure 1 below. Conclusions drawn from the table are not affected by inflation.

![Figure 1. Proportion of Canadian Tax Filers Claiming Donations](source: Nakoneshny (2017, p. 3.)
Lamman and MacIntyre (2016, p.1) noted that it was worrisome to note that donations to Canadian charities are at a ten-year low. Despite the decline in the total number of donors, the amounts given by those who are giving, continues to increase. The story in the United States is different. DiMento (2016, p.1) notes that wealthy donors doubled the number of gifts of more than $100 million to American non-profits in 2016. In 2015, only six donations were more than $100 million. This increased to twelve donations in excess of $100 million in 2016. CASE (April 2017) features $10M plus gifts to higher education increased in 2016. Sandoval (2017b, np) notes that charitable giving hit a record high for the third straight year in 2016, reaching $390.1 billion. Finally, Sandoval (2017c, np) reports that almost one-third of non-profit supporters – 31 percent – said they will give more to charity this year. The exploration of why the story in Canada and the United States is different is beyond the purview of this paper. If there is an increased need for more fundraising at post-secondary institutions, and there appears to be a decline in the total number of donors, then is there a way to encourage donors to give to post-secondary institutions? Are there incentive structures that can encourage greater philanthropic participation and giving directed to certain priorities?

There are many types of incentives that can encourage donors to make philanthropic gifts. Bekkers (2015, p. 195.) Some of these incentives include lotteries, tax considerations, recognition gifts, recognition societies, and matching gifts. A full exploration of all these incentives is beyond the scope of this study; however, a brief overview of the relative merits and possible donor motivation factors occurs.

Governments can stimulate philanthropic giving in response to real or perceived gaps in service delivery. Salamon suggests there are four justifications for government intervention in the work of charities. They are identified as: “philanthropic insufficiency; philanthropic
particularism; philanthropic paternalism; and philanthropic amateurism.” Salamon (1987, p.39.)

Philanthropic insufficiency is in essence the “free rider” or “moral hazard” problem. The demand for free public goods exceeds the willingness of voluntary donors to contribute. Philanthropic particularism can lead to favouritism. Not all groups within society are adequately or equally covered. Some groups and causes are over-supported while others are under-supported. This is inefficient and may distort public tax policy towards charitable giving.

Philanthropic paternalism is where need is defined by those with the greatest wealth within the private sector. Philanthropic amateurism suggests that the moral turpitude of the poor is the cause of their poverty, the charitable solution to which is moral suasion and religious conversion.

While each of these four reasons for government intervention in the philanthropic sector could warrant a full exploration, this thesis will weave the themes of philanthropic insufficiency and particularism throughout.

In my professional experience as a fundraiser, I engaged with donors who had different reasons for giving. Their rationale for making gifts included making a difference, paying it forward, providing thanks for a past opportunity and / or recognizing a person in their lives. My experience regarding donor incentives to give included tax considerations, optimal timing and peer pressure to name a few. One incentive that figured prominently throughout my career was that of matching. This presence took many forms, for example, it served as motivator to not leave funds on the table. Put differently, fully utilizing all matching funds available. This meant taking every opportunity to capitalize on potential funds from donors, corporations or governments. It served as a way in which to get donors engaged in projects they might not otherwise be interested in. It provided a mechanism to help shorten the typical donor solicitation cycle. It signalled to the university, the government and other donors the importance of particular
Boland (2013, p.14) asserts that, “fundraising is all about striking the right match – matching donors with the right messages and programs, matching values with the proper corporate partners, matching stories to fundraising campaigns, matching passion with need, and securing matching gifts.”

What is a matching gift? A matching gift occurs when a gift from a donor triggers the flow of additional money. It also can trigger larger gifts than donors would otherwise make. It can direct donors to either institutional or government priorities that they would otherwise not favour. This may occur from a variety of sources, such as a corporation, government agency or the recipient organization itself, typically provided the donation meet specific criteria (made within a certain time period, toward a particular project or designated purpose.) There are many potential values of a matching gift. Some of the benefits include additional revenue flow to the organization (which may or may not otherwise have been secured), new and /or more donors to the organization, or even support of projects by new or existing donors that may not typically get funded. Governments, corporations, institutions and / or individual donors may provide matching funds. Motivating factors for the provision of matching funds by each of these groups can vary widely.

When did matching programs come into existence? The first corporate matching gift program was initiated in 1954 when the General Electric (GE) Foundation introduced a program designed to encourage employees to donate to their alma maters (HEP/CASE, 2009, p. 1; Preston 2012; Weinger; 2012; Whelan 2008.) The founder of this program, retired GE board chair and then chair of the GE Foundation’s Board of Trustees Donors, noted HEP/CASE (2009, p.1), “it seems appropriate and fair that both the individuals and the organizations with which they ally
themselves should undertake some measure of support for the colleges and universities which play so important a role in American life.”

Have governments used matching gifts as a mechanism to encourage philanthropic giving? Most decidedly, examples from around the world highlight the use of this mechanism. That said, government involvement in matching programs is a newer phenomenon. One such example of matching programs was the funding provided by the Ontario government through the 1990s and early 2000s to post-secondary institutions to encourage donations to support students needing financial aid and who demonstrated Ontario residency requirements. No other restrictions occurred in this program, making it an interesting case study to examine for the purposes of determining the impact of matching on motivating philanthropic giving. The University of Toronto leveraged the matching gift program provided by the provincial government. The Ontario program is an example of particularism as public policy. Prior to introduction of the matching program, the government allowed universities greater discretion to set tuition fees. As a result of this discretion, all universities increased their tuition fees, thus raising the cost of government-funded financial aid. The government could have raised taxes to meet the additional cost or insufficiency in funding financial aid or it could, as it did, allow taxpayers to make a choice about directing what otherwise would have been a tax to a public policy priority.

In the case of the Ontario matching program, because it was trilateral, with the government as a “matcher,” public tax policy went a step further with regard to incentives and donor preferences. Most matching programs to that point did not involve government. Employee-Employer matches were by then in place, as were “challenge” matches that involved a single donor making a large gift to create a matching incentive for a larger number of smaller donors. Both parties paid a “tax price.” For example, at the time of the matching program studied
here, the average tax credit for a charitable gift was about 40 per cent. In other words, to earn a charitable receipt for a $100 gift the donor had to spend $60, which is called the tax price. To secure a tax credit of $40 the private donor must spend $60. In a conventional “challenge” match, each party pays the tax price. In other words, $40 tax credit and the $60 tax price applies to both donations, adding to $200. However, when the government becomes that “challenge” matcher, the tax credit applies only to the private donation. The government cannot give itself a tax credit. Thus, the tax price to the private donor drops to 20 per cent: 40 per cent on the first $100 and zero per cent on the second. This is an advantage to the private donor, and a fiscal disadvantage to the government. This also is the reason why matching programs are sometimes described as inefficient fiscal public policy.

It is also important to note what the government in this case did not do. The provincial government did not change the tax benefit. The tax price, and in turn, the charitable tax credit remained the same as they were prior to the introduction of the matching program. Donors received the same charitable tax credits as they would have received for their gifts in the absence of the matching. Not changing the tax benefit meant that the tax price was a constant factor throughout the period of research covered by this study, and thus did not affect donor behaviour one way or the other.

The same can be said about federal tax policy. During the period of the study the federal government did not introduce any changes in tax policy that would have affected the Ontario program or any research that investigated it. Because the federal government was not a participant in the matching program, gifts made under the matching program were treated the same as all other gifts, depending on tax brackets. The federal government, after the Ontario matching program had expired, implemented the First-time Donor’s Super Credit (FDSC) that
supplemented the value of the tax credit of donations by 25% on donations made after March 20, 2013 by a first-time donor up to $1,000. This program did change the tax benefit, and could be described as an alternative to matching programs. However, because the FDSC did not overlap with the Ontario matching program it, too, could not have affected donor matching behaviour.

Is the overall financial health of higher education likely to be a factor in the attractiveness of matching schemes? The matching program in Ontario did not offer a tax benefit. Given the government placed restrictions on the match, then if a donor saw the overall financial health of higher education as a “cause” the Ontario program in effect over-ride and denied that option. Thus, I believe my research or, in fact, any research based on the Ontario program, could not answer this question.

Prior to the Government of Ontario introduction of the matching program to support student financial aid, the University of Toronto announced its own matching program. The University of Toronto was able to serve as its own source of matching funds. A key priority identified by the University was renewal of its faculty complement. To this end, a matching program was devised whereby one million dollars from the University would match a one-million-dollar gift from a donor to establish an endowed chair for an existing faculty position. The University of Toronto was also able to provide its own match to the Government of Ontario student financial aid matching program. University of Toronto was unique in this regard – allowing for a two to one match vs. a one to one match present at other universities in Ontario.

Statement of the Problem Situation

Although various policies and practices regarding charitable giving go back hundreds of years, matching programs are relatively new. Given this, there is little known about them, especially when government initiates them. Assumptions are being made about them
nonetheless. As little is known about them, it is important to study their current relevance, whether or not they produce the intended results, and, whatever the results are, how they work. It is also important to ask whether or not matching programs initiated by government have a spillover effect on other fundraising initiatives and practices, and, if they do, what the effects are. As a general problem, two formative questions need to be kept in mind. In what way could the government-initiated program in Ontario be seen as a harbinger of a return to a robust “third sector” between public and private? Using Clark’s triangle as a paradigm, how could the matching program be seen as affecting the shape of a system of university education like Ontario’s?

The research will build on Karlan, List, and Shafir (2010) who tested the effectiveness of different sized matching grants on giving; Preston (2012a) who examined whether or not there is increased skepticism regarding the availability of matching funding as well as Rondeau and List, (2008) who studied the impact of challenge vs. matching grant programs. The specific focus of this research is the matching programs funded by the Ontario government from 1995 and went straight through to mid-2000s to post-secondary institutions to encourage donations to support students needing financial aid and who demonstrated Ontario residency requirements.

**Purpose of the Research**

Given the likelihood of ongoing private need to support publicly funded entities such as hospitals, universities and community service agencies, how is private philanthropy encouraged? In this case, does this form of matching encourage or discourage donors, or perhaps make no difference to them? With the rise of charitable organizations and the decrease of donors, is this crowded landscape going to put even more pressure on a decreasing pool of individuals? The outcome of this study could provide valuable information to charities to focus its efforts in being
more successful in securing philanthropic funds. This study could serve as a public policy tool for governments in deciding how best to support public organizations and pursue public policy objectives. Outcomes from this study could also be of assistance to donors in helping to clarify how they go about making philanthropic decisions.

The overall aim of this analysis is to understand the impact of matching funds on philanthropy – is it helpful or is it a hindrance? Is it necessary?

**Rationale / Significance of the Study**

This study examines the impact of government matching funds on philanthropy. Given the decreased funding through government grants and the pressures on governments to resist increasing tuition rates, it is likely there will be a continued and perhaps increased reliance on philanthropy to help fund post-secondary institutions. Is there a way in which to encourage further philanthropic giving? Do matching funds impact a donor’s decision to give by designation, amount or other parameters?

To date there has been little scholarly or practitioner study of matching funds. Much of what is known is anecdotal or understanding through an in the moment solicitation experience. It is hoped that this study, as it is removed from direct fundraising activity, will provide material for scholars, fundraising practitioners as well as public policy decision makers to better understand the impact of matching funds.

**Personal Rationale**

I am a white, middle class woman and had the privilege of working as a fundraiser at post-secondary institutions for nearly two decades. I worked in a variety of roles, each with an increased level of responsibility, working with a wide array of donors using numerous giving vehicles; I had a front-row view on decisions behind perhaps thousands of donations. The
experience was exhilarating, humbling, inspiring and sometimes intimidating. The endless drive for the next donation could be taxing to even those with the thickest of skin. I had to learn quickly not to take the inevitable “no” personally. The process by which donors chose to make gifts fascinated me. While the donor’s actions never seemed random, there were not necessarily predicted patterns or triggers that resulted in a gift. If this were the case, then how could I go about being more successful in my chosen occupation? How could I be more effective as a fundraiser? I was up to date on all the current literature, attended the latest seminars from leading fundraisers, was an early adopter of data analytics and yet, there was always a thirst to understand more. Why do individuals make philanthropic gifts? Is there a better way to encourage financial donations? Are there particular sparks or provocations that could generate increased revenue for the organizations I served?

The opportunity to serve as a fundraising practitioner provided tremendous personal satisfaction and a rewarding career. It was only a part of the puzzle. My need to understand what could catalyze giving from a theoretical perspective – far removed from securing the next donation – was palpable. Thus, began my quest. In order to dig deeper, I needed to establish building blocks. I wanted to undertake research to determine why individuals give both generally and specifically. Why do donors give? Are there incentives that encourage donations? What kinds of gifts are most amenable to certain incentives (for example, buildings and naming)?

The concept of matching raised questions for me. In addition to the donor component to leveraging matching gifts; what about the match provider? What are their motivations? Is it pure altruism? Is it an attempt to manipulate an outcome? Is it to distract from other initiatives? What is the impact of governments providing matching funds for student financial need while
not providing funds to support scholarships for academic excellence? While all-important questions, these are beyond the scope of this study. Instead, the focus will be on the response of donors participating in the Ontario government’s matching gift programs, of which there were several sub-sets of matching gift initiatives: the Ontario Student Opportunity Trust Fund (OSOTF), Ontario Trust for Student Support (OTSS) and Ontario Graduate Scholarship for Science and Technology (OGSST.) In contacting potential donors, the University of Toronto described the program this way:

the OSOTF and OTSS are a series of awards that were developed through the Government of Ontario that established a matching program in 1996. Under this program, both the provincial government and University of Toronto provided matching funding. The first 1/3 of funding was providing by the donor. This then triggered 1/3 of the funding from the province and a further 1/3 of funding from the University of Toronto. UofTFoM (2018, np.)

These awards were restricted to Ontario residents who demonstrated financial need. Scholarships were based on the annual income generated from the endowments created through these awards. None of the funding raised could be spent; the principal had to be endowed. Note the OSOTF program was established in 1996 by the Conservative Government led by Premier Mike Harris. In 2005 the OTOSF was modified and renamed as the OTSS program following a recommendation of the Rae report (2005, p. 34) that called for equalization of the OSOTF endowments by raising the match to three to one for universities that had raised less funding than the system average for the OSOTF. The government of the day described the modification this way:

the OTSS replaces and improves upon the OSOTF. The new trust creates more incentive for institutions to fundraise for student aide and fosters a culture of giving. It will assist institutions that historically have raised less money for student aid – those with endowments of less than $1,000 per student from the OSOTF. These institutions will be eligible to receive enhanced three-for-one dollar matching on funds raised above their respective historic OSOTF average. MTCU (2005, np.)
Given the University of Toronto’s OSOTF fundraising performance, it was not eligible for the three to one matching but was still eligible for a one to one match from the provincial government.

What better way to explore this topic than to ask donors directly? In undertaking this research, my goals were multi fold. They were to: (1) learn if particular fundraising mechanisms encourage and redirect further giving (2) assist fundraisers and donors alike to better understand decisions behind making philanthropic gifts (3) provide some public policy considerations and finally (4) add to the literature on philanthropy.

**Overall Research Question**

The specific research questions that drove this study were:

**Research Question #1:** In what way could the government-initiated program in Ontario be seen as a harbinger of a return to a robust “third sector” between public and private?

**Research Question #2:** Using Clark’s triangle as a paradigm, how could the matching program be seen as affecting the shape of a system of university education like Ontario’s?

**Theoretical Framework**

The framework is the OSOTF/OTSS/OGSST as a trilateral matching program that is now complete, and therefore reliable for study.

**Scope**

University of Toronto donors who made and directed gifts to the OSOTF/OTSS/OGSST program in the years in which it was in operation.
Limitations

While I believe this is an important research study, there were limitations to my study. Given the University of Toronto continues to be in active fundraising mode, I did not want to compromise current gift discussions. To this end, I chose a discrete period whereby matching programs featured prominently – the mid 1990’s to the mid 2000’s. Given this was some time ago, would study participants remember their specific motivating factors? Further securing a robust pool of individuals to participate in survey and follow-on research proved to be more difficult than originally anticipated. Given the donors age at the time of making their gifts, some are no longer with us. Further, as would be the case for all universities in the province, for other donors either there was no, or incorrect, contact information. This unavoidably limited the pool of individuals to study. However, based on the rates of contact with alumni for the annual Ontario Graduate Survey, the University of Toronto is well above provincial averages. Finally, the main limitation of this study is the non-generalizability of findings, given the sample size and corresponding representation of the population and the case study focus on only one institution, the University of Toronto, and only one array of government initiated matching programs. The University of Toronto, however, was the only institution in the province that made extensive use of all the available matching programs in the specified time period, in which case some generalization within the province may be valid.

Chapter Summary

This chapter introduced the purpose of this study. Key components were identified including the context, rational and background to the research problem. The overall research questions were established.

The next chapter, chapter two will feature a literature review on donor incentives.
Chapter Two: Literature Review on Donor Incentives

“Apart from the ballot box, philanthropy presents the one opportunity the individual has to express their meaningful choice over the direction in which our society will progress.” George G. Kirstein (Williams, 2004, p. 2.)

Understanding what motivates donors to give features prominently in the fundraising literature. Cook indicates that donors’ impetus for donating is positive. Cook (1997, p. 344) states, “…major donors invest not only their time and money but also, and of even greater worth to them, their identity, prestige, and reputation in the non-profits they so ably serve.” Donor engagement with philanthropy often expands based on their experience. According to Sullivan (2017, B3), “what begins as reactive giving - a cause catches their attention, a friend asks for a donation - evolves into proactive charity, and for a few, the type of philanthropy and strategic giving that can bring about change.”

In contrast, Curti and Nash (1965) as well as Du Bois and Johnson (2002) despite writing decades apart share a common thread. They explore negative aspects attributed to motivations behind donors making gifts. They argue that, rather than pure altruism, gift giving is often deliberate, suggesting that the relationship may benefit the donor more than the recipient organization. Du Bois and Johnson (2002, p. 493.) Further still, Kidd (1996, p.192) argues that charitable giving has less to do with the wants of the needy than with the needs of the donor. Finally, one writer observes a potential unintended consequence to the increased reliance on philanthropy. Callahan (2017, np) states, this is hopeful in many ways, and most donors have the best of intentions. But make no mistake: their influence is growing in tandem with their largess, shifting power away from democratic institutions. It's true that philanthropy doesn't have anything close to the resources of government and can't replace vital functions of the public sector. But the giving power of private funders has grown more significant as federal spending has flat-lined, especially funds that can be used flexibly.
Quite apart from individual motivations behind making charitable gifts, are there mechanisms that can stimulate and direct philanthropic behaviour? There are a variety of incentives that can encourage donors to make philanthropic gifts. Some of these include lotteries, tax considerations, recognition (gifts and societies) and matching gifts. A full exploration of all of these incentives is beyond the purview of this study, however, a brief overview of the relative merits and possible donor motivation factors will be probed.

**Lotteries**

One mechanism to encourage philanthropic support, and increase resources, is the use of a lottery to raise funds. “A lottery is a scheme where tickets are sold for a chance to win a prize at a draw.” AGCO (2016, np.) The charitable organization uses the proceeds of the sale often as unrestricted revenue. Many charitable organizations depend on proceeds from lotteries to fund their operations. Hospitals, in particular, have been very successful at running lotteries. It is a form of revenue generation that can be particularly effective for charitable organizations that perhaps are not as well known or have a smaller prospect pool or group of potential donors. Carpenter and Matthews undertook field research regarding lotteries. Their experiment “assess the effectiveness of different raffle (a form of lottery) designs, a question with substantial implications for fundraisers.” Carpenter and Matthews (2015, p. 17.) Participation in lotteries may broaden the pool of donors as it might attract lottery participants who are not donors to the particular charity. Individuals consider these two ways of giving (lotteries and traditional donations) as complementary to each other. Apinunmahaku and Devlin (2004, p.67.) Ubelacker (2013, p.L6) states, “it is a way of raising money for a good cause while providing a bit of fun for most people.” Still others have written on the amusement, fun and game component of lotteries. Thomson and Cheng (2013, p. 1) observe,
charity lottery ticket buyers should consider charity lotteries primarily as entertainment and not as a substitute for donations, due to the relatively small portion of revenue retained by the charity. Further, their survey of 30 major charity lotteries in Canada showed that, on average, 27% of each dollar of ticket revenue is retained for funding charity programs; the remainder is used to pay for prizes and for marketing and operational expenses. By way of comparison, the average amount of donations retained from other fundraising methods by the same charities was 72%.

Lotteries have the ability to impact charitable organizations with funding requirements that may not be perceived as important or inspiring. Frequently, lotteries are used in lieu of voluntary contributions by private charities and governments when taxes are not feasible. Morgan (2000, p. 761) Campbell (2000, p. 2) notes:

since 1969, charitable, religious and non-profit organizations have become one of the major beneficiaries of government laws and policies on gambling. Indeed, a Canada West Foundation study of gambling grant recipients found that 84% of non-profits that receive gambling grants consider these grants to be essential revenue.

While this discussion is primarily about how lotteries might influence charities, the role of the government is also noteworthy. Lottery winnings in many jurisdictions are taxable. This in turn means there is no public subsidy in the form of foregone revenue. Cestnick (March 2017, np) reports “any prizes you win in a lottery are generally tax-free in Canada.” That said, “Canadian residents who win U.S. prizes or awards, including gambling winnings, will pay a thirty per cent withholding tax to the IRS.” Cestnick (March 2017, np.) In some jurisdictions, government regulates the market for lotteries through licensing. This was a major source of revenue for colleges and universities in the U.S. in the 19th century.

While there are many benefits to leverage lottery revenues, there are also a number of detriments. Lotteries can be associated with gambling. Ubelacker (2013, p. L6) notes some are calling on “Canadian hospitals that run fundraising lotteries to take steps to protect players who are susceptible to problem gambling.” The government, having introduced the lottery as a funding mechanism for various charitable organizations (post-secondary institutions, hospitals
etc.) might reduce their contributions to the recipient organization. For example, some studies have found that earmarking lottery revenues actually decreases total spending on education. Jones (2015, p. 915.) Additionally donors could reduce their giving to the recipient organization such as a post-secondary institution based on their expectation that increased funding is being attributed to the college or university. Jones (2015, p. 933) highlights one study that “found charitable contributions to post-secondary education significantly decreased after the introduction of an educational lottery and contributions received by education-related non-profit firms dropped by 8% with a lottery.”

Another drawback of lotteries is that not all of the funds go to the particular charity. Some of the lottery ticket price pays for prizes and / or cash payouts for winners. Inversely, if an organization, such as a university receives a charitable donation, all of it (except for the comparatively small fundraising costs) is used for the post-secondary institution’s mission. Foster and Bradach (2005, p. 97.) Further, usage of lotteries to finance universities might depend more heavily on low-income earners versus higher income earners who traditionally give more significantly to post-secondary institutions. Jones (2015, p. 944) concludes,

there is a significantly negative relationship both between income and lottery expenditures (as a fraction of income) and education and lottery expenditures. Charitable giving, on the other hand, shows just the opposite patterns: giving (as a fraction of income) increases with income for most of the range of incomes and giving significantly increase with education. Thus, lotteries may decrease overall public good provision and shift the burden of financing a public good from high to low income individuals.

Finally, participation in a lottery to support charities will not create deep relationships and potentially lifelong relationships with the individual non-profit organization. Purchasers of the lottery tickets could readily stop participating should the prize winnings no longer be lucrative and / or if another more profitable sweepstake surfaces. When lotteries are regarded as a form of gambling, setting ethical issues aside, they may not be seen as a “cause” that motivates
charitable behaviour - they may be seen simply as a “good bet” or “fun,” whether they actually are. In other words, a lottery can work against, instead of working for or motivating charitable behaviour. For these reasons, I believe that lotteries are not the most effective incentive mechanism. What might be some others?

**Tax Considerations**

Schlesinger (2017, np) states “giving to charity is rewarding on many fronts. Donors commonly say ‘making a difference’ is their primary motivator and that tax savings rarely top the list of their reasons to give.” Additionally, according to the results of a survey undertaken by the Indiana University Lilly Family School of Philanthropy that identified people’s main motivations for giving, they were cited as: “to make a difference (73.5%) and for personal satisfaction (73.1%). Receiving a tax benefit came way down in the eleventh place in the list of possible reasons for giving – cited by just 34.4% of respondents.” Blackman (2015, np.) In order to encourage charitable giving in Canada, various tax incentive initiatives have been in place since 1930. Tax credit and tax deduction are used interchangeably for the purpose of this study. In reality, “a tax credit allows one to reduce one’s tax bill by the amount of the credit. A tax deduction allows one to reduce taxable income by the amount of the deduction.” Waitzer and Berman (1983, p.1.) Rajotte (2013, p. 9) as well as Watson (1985, p.1) discuss this in further detail. Note prior to this encouragement of charitable giving, “a bill to incorporate the Canadian Patriotic Fund was introduced” in 1914 to encourage support of service men and women. Recognition of this type of giving was restricted to initiatives related to the war. Watson (1985, pgs. 2 and 6.) Similar programs were introduced into the United States later in 1917. Why would the government introduce these tax initiatives and forego revenue? In essence, the government is trying to encourage financial support of organizations that can provide valuable
service to the community, service that might otherwise need to be funded directly by the government.

It is normally considered wise public policy to encourage charitable activity. The premises on which this policy is based vary but usually include the assumption that philanthropic institutions perform socially essential work that otherwise would have to be carried out by government agencies and that can be performed with more empathy, imagination, diversity, flexibility or economy by private groups. Waitzer and Berman (1983, p. 1.)

Further, “one of the arguments for subsidising charities through the tax system is that bringing in donors adds something to the mix. Spending decisions by government are often bureaucratic and risk-averse, not to mention captured by the vested interests of public-sector unions and the lobbying process.” Staff Writer, *The Economist* (2012, np.) On the other hand, what might be some of the drawbacks of having a favourable tax initiative to encourage philanthropic gifts? “A disadvantage of having such a generous regime to support charitable giving is that it produces an over-reliance upon tax measures to produce public benefit and encourage civic participation.” stated Burrows (2009, p. 16.)

There have been many laboratory and field experiments to determine whether or not tax initiatives provide incentives for donors to give, or give to particular charities. Eckel and Grossman, Karlan and List, along with Andreoni and Payne are well known for their work on examining the impact of various incentives to encourage philanthropic gifts namely forms of tax initiatives as well as matching funds. Blackman (2015, np) notes, “the results [from their research] show that the money and taxes relationship is a lot more nuanced than the idea that a bigger deduction means a bigger donation—with significant implications for both charities and policy makers.”

Anderson and Beir (1999, p. 66) explored whether a tax incentive in Michigan would encourage donors to give to a particular type of charitable organization – a community
foundation. What was particularly interesting about this study was that it included a “sunset provision” to counter balance a potential claim on the state of an open-ended credit. Anderson and Beir (1999, p. 71) found that,

> the size and number of individual and business donations to community foundations appear to have been positively influenced by the tax credit, signalling that the tax credit was successful in achieving the goal of encouraging giving to these charitable organizations. However, very small donations appeared to be impervious to the law, suggesting little price sensitivity with respect to donations.

The researchers were not able to definitively contextualize the sunset clause component.

What are some aspects of the current Canadian tax environment that may encourage further philanthropic giving? The year 1994 marked a significant milestone as it changed the minimum threshold for the credit on the first-tier donation level. It reduced the first tier from $250 to $200 further benefitting the average donor. Burrows (2009, p. 5.) The federal tax credit is based on a two-tier system. In 2013,

> the first $200 worth of donations for the year, across all charities, provides a 15 percent federal tax credit, which is worth about 25 percent when the provincial tax is taken into account. Any amount over the $200 level provides a 29 percent federal tax credit, worth about 45 percent when you factor in provincial tax. Government of Canada (2018, np.)

While it is unclear if the policy shift reducing the first-tier donation level in 1994 was responsible for this outcome, there certainly was unprecedented growth in philanthropic giving from 1995 to 2007. Overall giving increased 140% from $3.6 billion in 1995 to $8.65 billion in 2007. Burrows (2009, p. 5.) Another important development related to tax initiatives designed to encourage philanthropic giving was the introduction of publicly traded securities. Under this scenario, donors are able to avoid capital gains fees by donating the securities directly to charities.

> Compared to lotteries, tax policy does have a cost to government in the form of very large foregone income. Tax policy also addresses particularism: public policy objectives that
could not be politically met by taxation could be met by tax-friendly charitable giving deductions. Giving tax credits for charitable giving has different effects than giving tax deductions, depending on wealth.

**Recognition Initiatives**

Another manner in which donors might be encouraged to make donations is through the allure of naming rights, giving societies and to a lesser extent gifts received as acknowledgement of donations made. Many charitable organizations create naming opportunities to encourage philanthropic gifts. This can be initiatives such as “buy a brick” campaign whereby many donors contribute relatively modest amounts to more substantial naming associated with laboratories, classrooms or entire buildings. Dixon (2017, np) writes, “every hospital, every charitable institution, has a name on it. There are lots of naming-rights deals in the philanthropic space.” Naming for these capital structures generally used to be for the life of the structure – meaning it was named for the duration in which the structure was standing. Increasingly naming rights particularly for arts organizations, however, are for a defined period. Attfield (2017, np) points out that.

…term limits, which are increasingly becoming more commonplace, such as Toronto’s O’Keefe Centre morphing into the Hummingbird Centre and now the Sony Centre for the Performing Arts. However, when it comes to organizations such as hospitals and universities, donor rights are still mostly perpetual.

This is not to be confused with marketing initiatives whereby typically corporations sponsor events or spaces in exchange for limited naming rights. Take for example the connection that TIFF and Bell have through the TIFF Bell Lightbox. This involved a deliberate corporate strategy on the part of Bell to provide benefits for its customers. “From Bell’s perspective, its relationship with TIFF is a very different approach from traditional naming-rights arrangements. This is the marketing space.” Dixon (2017, np.) “Corporate-sponsorship valuations are often
linked to tangible measures such as foot traffic, website visits or television rights.” Johnson (2017, np.) Depending on the jurisdiction, there could be a tax consideration. Some jurisdictions treat such naming as a business expense instead of as charitable giving.

Giving societies or clubs are another way in which to encourage donations. Access to advance ticket purchases, exclusive events or highly placed individuals within the organization are features of this type of donor incentive. Inclusion on a donor list alongside other highly placed or influential individuals is also typically a desired feature of this type of recognition. If one belongs to the *ABC Society*, one knows that all other members of this society have given at a minimum dollar threshold, in essence, are part of an exclusive club whose mandate is to support the recipient organization. Ruda (2009, np) states,

> donor recognition societies, or gift clubs, are a time-honoured technique for thanking supporters and encouraging them to give even more generously. The best perks of society membership reinforce donor's connection to the recipient organization. They are items or experiences only the charity can provide, such as books or music written by faculty members and students, insignia merchandise, dinner with the campus CEO.

Another form of recognition initiatives that might encourage philanthropic giving is the provision of small or nominal gifts in exchange for, or encouragement of, the donation. Some charities send out personalized address labels, pens or notepads with the hope that it might garner attention from a perspective donor. It is important to note that Revenue Canada guidelines prohibit receipt of a benefit (beyond a nominal gift) to the donor in exchange for a donation. For example, charitable events or galas must deduct the amount of the cost of the event (typically the meal) from the donation total. This means the tax receipt provides for the amount over and above that what was used to defray expenses.

In order to test the effectiveness or impact of these gifts there have been numerous field and laboratory experiments. Building on the work of Fehr, Kirchsteiger and Riedl (1998) along
with others, Falk (2007, pp. 1501-1502) undertook a field experiment to determine impact on donation likelihood and confirmed the economic importance of gift exchange. Solicitation letters to secure funds for street children in Dhaka were sent to potential donors with a random selection of no-gifts, small or large gifts. The small or large gifts consisted of a postcard plus envelope or four postcards plus four envelopes from school children in Dhaka. The results were interesting. Falk (2007, p. 1501) found, “compared to the no gift condition, the relative frequency of donations increased by 17 percent if a small gift was included and by 75 percent for a large gift.”

What was not analyzed in this study (as well as others) was the role of curiosity. Indeed, surprise may be a key factor. “Once the donors get used to getting gifts, they may no longer feel obliged to repay them.” Falk (2007, p. 1510.) The role of guilt was also not discussed in this study. Did the donors contribute to the organization out of a sense of obligation for having received a token or did they do contribute out of genuine interest in the organization? Interesting questions to be explored that perhaps may be considered by other researchers.

**Matching Gifts**

A matching gift is a well-known but rarely studied incentive to encourage philanthropic gifts. This phenomenon occurs when a gift from a donor triggers the flow of additional money. The source of the additional money may come from a variety of sources, such as a corporation, individual, government agency, or the recipient organization itself, provided the donation meet specified criteria (such as made within a certain period, toward a particular project or specific purpose.) The first corporate matching gift program was initiated in 1954 when the General Electric (GE) Foundation introduced a program designed to encourage employees to donate to their alma maters. HEP/CASE (2009 p. 1.) The founder of this program, retired GE board chair
and then chair of the GE Foundation’s Board of Trustees Donors, noted: “it seems appropriate and fair that both the individuals and the organizations with which they ally themselves should undertake some measure of support for the colleges and universities which play so important a role in American life.” HEP/CASE (2009, p. 1.)

Do corporations still participate in matching gift programs and if so, why would it benefit them? According to one study, “about 65 percent of Fortune 500 companies (and many others) match employee donations.” Scott (2015, np.) Further evidence can be found at “a 2012 survey by the Committee Encouraging Corporate Philanthropy found that 83 percent of surveyed companies offered at least one matching gift program.” Pagnoni (2013, np.) Some of the benefits to the corporation include by giving to the institutions that educate their employees, companies “give where they get,” improve employee relations, in part, by honouring the philanthropic preferences of their labour force which in turn may encourage greater loyalty and feelings of good will toward the employer. HEP / CASE (2009, p. 56.) Some of the drawbacks of a corporate matching program include not necessarily great awareness of its existence. Alternatively, if employees are aware of this opportunity, to leverage the funds may entail a complicated process of filling out forms and securing approvals for the release of the funds. Lack of awareness and difficulty in accessing the match may attribute to much of the available funds not accessed. Not every charity finds it worthwhile to pursue corporate matching gifts. Access to relevant information and onerous processes can diminish benefits from matching gifts as indicated in the following comment:

Purdue University has 98 percent of home addresses for alumni, but it only has employer information for about half of them, and much of that data is out of date. Further - another challenge is the wide variation in restrictions that companies place on employees who want their donations matched, with many requiring forms and receipts, which can make it difficult for donors and charities to get the matching funds. Whelan (2008, np.)
Individual donors can serve as a source of matching funds. Individuals involved in matching programs typically have strong relationships with the recipient organizations. A brief scan of recent headlines feature some examples of individuals involved in matching gift initiatives, such as: “financier Ken Griffin committed $15 million to match donations up to that amount from elsewhere and back the non-profit’s efforts to help New York City’s neediest families” Di Mento (2017a, np), or “Washington University announces $20 million McDonnell Scholarship Challenge.” Di Mento (2017c, np.) In the case of the donor, Mr. Griffin, he was a long-time supporter of the charity Robin Hood whose mandate is to support New York’s “poor and neediest.” Mr. Griffin first started donating to the charity in 1994. In 2001, he served as a $1 million matching donor to the organization. On repeating his efforts with a new matching gift of $15 million, he cited both his own personal satisfaction from making the donation as well as the incredible demand on the charity to do more to help New York’s most needy individuals. As a long-time resident of the city, he was motivated to help his community. Similarly, McDonnell has a deep relationship with his charity of choice - Washington University. Not only is he an alumnus of the University, he also served as a volunteer since 1976. Over the past four decades, he consistently donated. This culminated in the significant $20 million used as matching funds to encourage other donors to support scholarship initiatives.

Matching gifts from individuals’ (and certainly other donor sources) can provide benefits to the recipient organization or charity in addition the increased revenue generated through this type of incentive program. Matching gift initiatives can broaden the traditional donor base of the charity. An example of this is the $50 million gift from Gordon and Llura Gund to the Foundation Fighting Blindness. Anf (2015, np) writes,

the charity is using the donation to spark a $100 million capital drive. As science organizations reel from a near-decade-long flattening of federal research grant dollars and
a downturn in venture capital, many are devising ways to use large private gifts to draw in new donors.

The Foundation Fighting Blindness charity reported that new donors indicated they first became interested in the charity because their donation made a greater impact. Admittedly, sustained giving to this charity was less a result of the matching funds and more attributed to donors ongoing interest in the work undertaken. However, the point remains, introduction to participation in the charity occurred via the matching gift mechanism.

Another way in which matching gifts can provide additional benefits is by supporting initiatives core to the mission of the organization but one that might not yet have resonance with the organization’s donor community. This was the case at Northwestern University with the creation of the $10 million Ryan Family Chair Challenge. This purpose of this fund is to:

match gifts made by other Northwestern supporters to establish new endowed positions across a range of disciplines. Through the challenge, a wider circle of potential benefactors than ever before can consider endowing a professorship in their name or in the name of someone they wish to honor. Deardorff (2015, np.)

In order to encourage a broader array of supporters, the matching fund was created with maximum flexibility in mind. Specifically, “the challenge is flexible, meaning that the position designation and ratio will be determined on a case-by-case basis by the provost.” Deardorff (2015, np.)

While there are many positive attributes to matching gifts and certainly some donors have been extraordinarily generous leveraging or providing funding through this mechanism there is, at least some evidence, to growing skepticism regarding this incentive structure. Doubts have been raised regarding the actual presence of matches. One observer reflecting on matching gift initiatives with the National Public Radio noted, “a more dishonest (albeit legal) fund-raising scam was never devised.” says Wilhelm (2009, np.) This dishonesty was proposed given these
particular fundraising campaigns never having had their matching triggers withdrawn. Namely deadlines were always met and match amounts never withdrawn causing disbelief on the part of the observer regarding the actual impact or triggering effect of the match. Put differently, would these gifts or successful fundraising campaigns have occurred without the presence of a matching initiative?

Other concerns related to matching gifts relate to potentially unreasonable restrictions or specificity of terms. Matching parameters such as who can be solicited, for how long and for what project might not be core to the mission of the organization thus causing distraction at best and lost revenue and potential credibility at worst. An example of one such failed initiative,

Temple University accepted a $1 million matching gift for a new athletics facility. According to the terms of the gift, the university had to raise all of the matching money from other board members. But a new athletics facility wasn’t high on the list of every university trustee and thus the university fell short of the $1 million goal, raising about half that amount. Preston (2012a, np.)

Finally, while matching gift initiatives have been around for decades, recent concentration of this donor incentive initiative might well wear out its usefulness. Overexposure even to a positive force may lead to donor fatigue. Indeed, “there’s not really new excitement - the charity is ready to try something different and so, too, are many donors.” Preston (2012a, np.)

Governments have also served as the source of matches to philanthropic gifts. Public funds are used to match donations and the overall initiative is typically highly regulated with specific parameters such as match timing, ratio amounts, targeted recipient programs and detailed reporting requirements. Evidence of this type of support can be found globally. A study was commissioned by the Sutton Trust in 2004 to understand the effectiveness and characteristics of government funded matching gift programs from around the world. Some of the highlights from the study included: “evidence of some twenty-four states in the United States
featured government matching programs.” CASE (2004, p.5.) Outcomes from these programs often included increased amount and number of donations. According to the report, the history of American philanthropy suggests that donors will make private gifts to higher education without the incentive of a matching program. However, an opportunity to double, or in some cases, triple the dollar value of a gift provides donors with powerful incentives. CASE (2004, p.16.)

Evidence of matching programs was also found in other jurisdictions including Hong Kong (HK) and Singapore. Starting in 2002 and running for the next several years, the Hong Kong government undertook a concerted effort to broaden support for post-secondary education through three key targeted initiatives. These initiatives were: provision of seed funding to build fundraising capacity at HK universities; increase of the ceiling for tax-exempt donations from 10 percent of income to 25 percent; as well as a HK $1 billion 1:1 matching gift program. CASE (2004, p.12.) The Singaporean government started earlier than the HK government, implementing an initiative entitled the University Endowment Fund. This was established to encourage philanthropic support of two institutions – the National University of Singapore (NUS) and the Nanyang Technological University. Implemented in 1991, this program featured a 3:1 matching ratio. By 1995, this program had raised in excess of $50 million. CASE (2004, p.14.) Then NUS President and Vice Chancellor Professor Shih Choon Fong credited the fundraising success to increased private support from alumni but also to “public philanthropy” as enabled through the government matching program. CASE (2004, p.16.)

In addition to the Ontario government’s matching gift programs, of which there were several sub-sets of matching gift initiatives: the Ontario Student Opportunity Trust Fund (OSOTF), Ontario Trust for Student Support (OTSS) as well as the Ontario Graduate Scholarship for Science and Technology (OGSST), did any other such initiatives exist in Canada? Yes, indeed there were.
Federal and Provincial governments began to influence donor choices through targeted matching fund programs. These matching programs were introduced in the mid-1990s. Federal matching programs such as the Canadian Innovation Foundation, Genome Canada, and the Natural Areas Conservation Program are influential in aligning significant donor dollars with government priorities. Burrows (2007, p. 8.)

A more thorough examination of academic research featuring matching gift initiatives occurs in the upcoming literature review.

Although various policies and practices regarding charitable giving go back hundreds of years, matching programs are relatively new. While evidence of corporate matching dates back approximately six decades, government matching has existed for approximately thirty years. This limited period and corresponding relative minor presence in both academic and fundraising literature has resulted in a dearth of knowledge about matching programs. It is time now to review some of the literature both academic and non-academic sources.

Chapter Summary

This chapter featured a broad overview of various initiatives intended to encourage philanthropic support. The incentives discussed included lotteries, tax considerations, recognition (gifts and societies) and matching gifts. There was intent throughout the chapter to introduce some of the concepts, observations and concerns referenced in the survey, interviews and focus group discussions featured in chapter five.

The next chapter, chapter three, will present a further literature review.
Chapter Three: Literature Review on the Role of Philanthropy

“We need more basic research in philanthropy. Our understanding of philanthropy and our quest to make it more effective will benefit from embracing curiosity-driven research that seeks to understand what ties our disparate concerns together in the pursuit of basic questions about human generosity.” Pasic (2017, np.)

Fiennes also write about the necessity for further research into philanthropy. Fiennes (2017, p.187) says, “when medicine became a science, health and longevity increased. Similarly, a science of philanthropy could reveal principles about which ways of giving are most successful.” A greater understanding of any subject matter occurs by a literature review. Issues related to philanthropy have greater prevalence in academic studies over the last few decades. This may help to explain the proliferation of post-secondary institutes, school and programs dedicated to the study of philanthropy – both from practitioner and theoretical standpoints. This growth in educational entities focused on philanthropy may serve as a proxy for increased interest in the field. Wish and Mirabella (2003, p.105) indicate “since 1990 the number of university-and college-based graduate programs in non-profit management in the United States has grown tremendously. In 1990 … there were seventeen such programs; in 1992, thirty-two. In 1997, there were seventy-six graduate programs.” This early-stage work on the number of university-and college-based graduate programs in non-profit management in the United States was expanded by Mirabella, Gemelli, Malcolm and Berger (2007, p. 112S) who report as of 2007, “there are 189 universities and colleges that provide educational programs in non-profit management education (NME) for students within their national borders. This compares to 240 universities and colleges offering NME programs within the United States.” However, despite this proliferation of graduate programs, and corresponding research initiatives, work related specifically to matching gifts is still nascent. Meier (2007, p. 1205) states “there has been little
research on matching charitable giving.” The general study of philanthropy occurs through many different disciplinary approaches such as economics, education, political science and psychology to name a few. Material that does feature matching concerns yields scholarly work from all these disciplines and many more. In addition to material found in scholarly work, there is also noteworthy reference points found in more practically oriented literature. To this end, the enclosed will combine an examination of work featuring matching funds found both in scholarly sources as well as material designed for fundraising practitioners and the general public.

Broadly speaking, categorization will feature a look at the following topics: fundraising overview: historic issues related to fundraising; current headlines featuring fundraising; agency theory; Clark’s triangle; matching gifts; matching gifts and rebates; matching gifts and match ratios; matching gifts and unintended consequences (free rider and crowding out); and theoretical representations. This literature review will provide context for understanding the impact of matching funds on philanthropy.

**Fundraising Overview: Historic Issues Related to Fundraising**

It is hard to imagine a time when philanthropy did not have a significant impact on post-secondary institutions indeed; these institutions have been relying heavily on contributions since the turn of the last century. Much material exists in scholarly and professional journals on the similarities to and differences in philanthropy over the last century. Post-secondary institutions rely on donations from individual donors. If donors continue to provide such significant funding to colleges and universities, then there must be an inherent trust or confidence in the institutions supported by these funds donated. Further, donors must believe the intent (or designation) of their donations will be honoured and not subject to interference or modification on behalf of the
government. How did this trust develop? What were the roots of confidence placed in charitable organizations? What are some of the overarching issues related to the history of philanthropy?

Elson (2007) presents an effective synopsis of some of the key inflection points in Canada with respect to philanthropy. Many early practices relating to modern-day concepts of philanthropy came from both England and the American colonies. One example is the adoption of the Elizabethan Poor Law of 1601. This law obligated the collection of funds for the poor in what is now Nova Scotia and New Brunswick. (Elson, 2007, p. 36; Staff Writer, 2012.) In Upper Canada there was a different approach. Rather than a more centralized ‘state’ approach, individual and private philanthropy took precedence. This was enshrined in the Constitution Act of 1867. Elson (2007, p. 39.) Another notable legal case, the Pemsel Case of 1891, had a profound impact on philanthropy generally and the provision of charitable tax receipts specifically given these four categories still define what constituents “charity.”

Charity in its legal sense, comprises four principal divisions: trusts for the relief of poverty; trusts for the advancement of education; trusts for the advancement of religion; trusts for the purposes beneficial to the community not falling under any of the preceding heads. Elson (2007, p. 42.)

The question of the role of philanthropy was also present in the forming of the United States. Similar to the experience in Canada, the American experience acquired many practices and approaches from England. Wylie (1959, p. 203.) writes “for in the colonial period the force of English laws…guaranteed the transfer of English charity practice to America.” However, the experience was certainly not uniform across all states. The local experience certainly dictated the approach to the charitable sector. Wylie (1959, p. 206) shares,

in the absence of any clear-cut federal policy it was possible for some states to encourage charity in their constitutions, others to allow it to function without any constitutional recognition, and still other to restrict it. Most states, either because they intended to continue operating under inherited English statutory and common law or because they
preferred to leave charity policy to their legislature, said nothing about it in their constitutions.

The historic case, *Dartmouth v. Woodward* (1819) takes great prominence in philanthropic literature. This case established that the state could not interfere with privately incorporated organizations, funded by donations or fees, whose mission was to produce goods with some public benefit (Reich, 2016. p.2; Karst, 1960; Whitehead & Herbst, 1986.) This precedent-setting ruling protected donors from having the intent of their donations changed. The American *Dartmouth v. Woodward* case resulted in the creation of the ‘private non-profit’ sector. Lee (2016, p.9) Wylie (1959) also writes about the impact of the *Dartmouth v. Woodward* case.

The authorities are full, to prove, that a college is a private charity, as well as a hospital, and that there is, in reality, no difference between them, except in degree; but they are within the same reason and both *eleemosynary* (*related to charity*). (U.S. Supreme Court. (1819) p. 37 {17 U.S. 518, 660})

There are a few key elements that derive from the Court’s decision: the original intent of the donation must be honoured; once a donation is made, families have no claim to the contribution through inheritance and the donation must be used for its stated charitable purpose. Further, in strictly legal terms, the Court’s decision was that a gift, once accepted, constituted a contract the terms of which could not be breached or changed by the state.

The case had particular influence on philanthropic higher education. Not only were private educational institutions protected from state government control, donors’ rights were forever ingrained as the intent of their donations are indefinitely in support of the donors wishes.

The creature of private benefaction, for a charity or private purpose…it is endowed and founded by private persons…subject to their control…and not to the general control of the government…rights and privileges flow form the property of the founder in the funds assigned for the support of the charity. (U.S. Supreme Court. (1819) p. 38. {17 U.S. 518, 662})
The *Dartmouth v. Woodward* case in the United States lays some of the historic fundamental groundwork related to donors’ wishes and designation of gifts. More specifically, when a donation is made, the donor makes a choice between establishing the gift as an endowment or an expendable gift. An endowment is whereby only the payout or interest earned is spent. An expendable gift is where all funds are spent. An additional choice is made between restricting the designation, or purpose, of the gift, and an undesignated, or unspecified, use of the gift. Change to the purpose of the gift is not possible without the permission of the donor.

It was not until 1930 that a universal tax deduction was introduction for any charitable donation in Canada. Elson (2007, p. 44.) The next few decades saw a proliferation of charitable organizations. By 1967, charities were required to register with the Canada Customs and Revenue Agency. Elson (2007, p. 65.) The next fifty years saw tremendous growth in the philanthropic sector. Expansion can be noted in just about every component of the sector: number of charities, professional related to the running of the charities, significant growth as an occupation, introduction of new giving vehicles, sophistication in terms of requests for and recognition of funds, and further changes to tax laws, to name just a few changes.

**Current Headlines Featuring Fundraising**

Moving from the historic to the more current, what are some of the dominant themes found in the mass media related to fundraising? A full review of all media references related to philanthropy will not occur. Rather a cursory scan of some of the more recent references are highlighted. Topics include material on choice related to giving, donor advised funds, fundraising tactics, specific donations and corresponding impact as well as a couple of references to matching programs. Cestnick (2017) argues for a focused call to action undertaking deliberate choice when making philanthropic decisions. Cestnick suggests
developing a plan well in advance of the point of solicitation to understand clearly the rationale behind individual charitable gifts. Readers are encouraged to think about what they want to achieve, what causes or organizations are important to them, and how they will go about making a difference through their philanthropic choices well in advance of being asked to donate.

Donor advised funds is a growing phenomenon that allows the donor to make a gift typically held by a community foundation or financial institution. A tax receipt is issued at the time the gift is made. The fund distribution, however, does not necessarily occur at the time the donation is given. Distribution can occur immediately or in the future depending on the preference of the donor as well as the needs of the organization. A key feature of this type of fund is that the proceeds can be designated to any number of charities chosen by the donor. The use of donor advised funds is growing in popularity. Daniels (2017) states that giving by community foundations to international causes more than doubled in the first half of this decade, with much of the growth driven by gifts made through donor advised funds. The option to donate via a donor advised fund is viewed by some as suspect in that it might be less about altruism and more about effective tax strategies. Staff writer, The Economist (2017) as well as Schlesinger (2017). Even more alarmist others flag “entities like donor advised funds allow givers to remain anonymous, even when their donations seek to influence government policy.” Callahan (2017.)

Much is written about general fundraising tactics and / or studies aimed at improving performance of fundraisers with the ultimate aim of raising more funds for recipient charities (e.g., Di Mento, 2017; Joslyn, 2017; Sandoval, 2017a.) Several recent studies focused attention on the care that fundraisers should take to understand the decisions undertaken in making
donations. Study participants indicated they would prefer fundraisers understood who they are and what connection already exists with the charity, for example, "there’s a difference between saying, ‘What do you think of the university?’ and saying, ‘I noticed that over the past 20 years you’ve attended 35 of our events.’" Joslyn (2017, np.) In yet another study, there was a call for more effective communication mechanisms, particularly with new donors. Sandoval (2017a, np) found that:

if non-profits don’t figure out ways to increase retention there’s a real concern that philanthropy will become more transactional over time, and thus the big gifts that come so often with a real, deep relationship with a donor and an organization will be lost in the future.

Print and online media showcase donations made of varying sizes to a variety of organizations. Many media sources feature a standing column devoted to fundraising activity. Inevitably, a heart-warming story or charitable event is prominent in these examples. It is hard not to read a story related to what seems like ever-increasing amounts to charitable organizations. At first large donation amounts were only present in the United States. An example is the University of Michigan meeting its major fundraising goal by surpassing the $4 billion mark aided by donations such as $200 million from Ross, the New York real estate tycoon and majority owner of the Miami Dolphins. Slagter (2017, np.) Evidence of consistent and larger gifts is now much more evident in the United Kingdom (UK). Weale (2017, np) writes, “philanthropic donations to UK universities have exceeded £1bn (~$1.64B CDN) a year for the first time. The increase in funds comes thanks to larger gifts despite a slight decrease (0.5%) in the overall number of donors.” The significance of this growth in the UK is profound. As one head of fundraising at a UK university shares, “we are now raising in one year what used to take us five years.” Weale (2017, np.) Certainly, it would be remiss not to include a Canadian reference. Gibson (2016, np) writes, “despite the fact that Canadian
schools have been struggling to catch up to the ‘100-year head start’ of American post-secondary institutions in the field of philanthropy, the University of Toronto surpassed $2-billion in donations to its Boundless fundraising campaign.”

The “Giving Pledge” is an initiative created by Bill and Melinda Gates along with Warren Buffett designed to encourage transformational philanthropic activity. Created in 2010, its aim is to be a worldwide phenomenon. As of 2017, there are over 168 donors from 21 countries represented. “Over the long-term, the ‘Giving Pledge’ hopes to help shift the social norms of philanthropy toward giving more, giving sooner and giving smarter.” Canada News Wire (2017, np.)

Criticism over the size and distribution policies of some university endowments received some media coverage. Concern over large endowments and a corresponding - but counterintuitive - increase of tuition fees promoted legislatures to query some universities on how they are using or failing to use their endowment funds. In response, university presidents explained that much of the money in endowments is designated and thus not able to be used as freely as legislators might suggest. In response to this criticism, Princeton President Christopher Eisgruber wrote,

Princeton’s endowment is made up of thousands of accounts, some which date back literally hundreds of years. …endowment is made up of more than 4,300 separate accounts, and the purpose supported by the largest number of accounts is financial aid. Jackson (2016, np.)

Harvard University’s President Drew Faust highlighted similar concerns with the lack of flexibility of designated funds. She noted, “84% of the endowment consists of restricted funds which must be carefully managed to meet the terms of the gift.” Jackson (2016, np.) Further to this issue, Victor Fleischer explores the idea of universities being mandated to spend 8 percent of their endowments each year in his Op Ed “Stop Universities From Hoarding Money.”
What is the purpose of endowments? Why do universities have them? “An endowment is a collection of funds provided by donors to secure long-term institutional strategic goals.” Redd, Wayt and McGain (2018, p. 302.) Most of these funds have a specific mandate attached to them as directed by the primary donor to the fund. “These endowed funds represent the institution’s promise to donors to use income and investment gains generated by their gifts to support an aspect of the university’s mission, usually in perpetuity (that is, forever.)” Redd et al. (2018, p. 302.) The authors further suggest the purpose of endowed funds in regards to their relationship with the government. “Endowed funds are designed to provide long-term support for a charitable purpose that would otherwise have to be carried out by federal or state governments.” Redd et al. (2018, p. 302.) In a seminal work regarding the purpose of endowments, Hansmann (1990) observed there are two key reasons universities have endowments. The first is to save for a rainy-day fund and mitigate against future financial concerns. The second is to ensure the institution is able to continue its mission without being subject to changing political or social inclinations. Hansmann states, endowments serve as a financial buffer against periods of financial adversity, they help to insure the long-run survival of the institution’s reputational capital, they protect the institutions’ intellectual freedom, and they assist in passing on values prized by the present generation. Hansmann (1990, p. 39.)

In a prescient conclusion to the article, Hansmann suggested that there is a greater need for understanding of the rationale behind institutional endowment accumulation and any corresponding consequences to this amassing. “It would be premature to propose changes in the law governing endowment accumulation and, in particular, to propose measures to limit the discretion of universities to accumulate large endowments.” Hansmann (1990, p. 40.) Despite this, Hansmann suggests, “there are costs associated with excessive endowment accumulation.” Hansmann (1990, p. 40.) Waldeck (2009) also writes about the purpose of endowments.
Literature that is more recent highlights current concerns over rising tuition rates and what some have described as the “hoarding” of endowments Redd et al. (2018, p. 301.) This issue is particular relevant at this time as up until recently, educational institutions in the United States, were non-profit tax-exempt organizations. Thus, the endowments could retain their earnings without any tax liability. This changed, however, as of December 22, 2017 when,

effective for tax years beginning after December 31, 2017, the Tax Act adds section 4968 to the Code. This imposes a 1.4% excise tax on the net investment income of a private college or university that has (i) at least 500 students (i.e., full-time students plus part-time students on a full-time student equivalent basis), more than half of whom are located in the United States, and (ii) assets at the close of the preceding tax year valued at $500,000 or more per student. Seltzer (2018, np.)

Not surprisingly, university leaders have argued against this latest amendment to the Tax Act. Johns, director of tax policy at the National Association of Independent Colleges and Universities says,

the endowment tax is a misdirected effort to absorb both charitable gifts to our institutions and cost saving refinancing options into the coffers of the federal government. It will ultimately add to our costs and overall ability to serve our students and provide the highest quality education. Kreighbaum (2017, np.)

Some of the impacted institutions include Princeton, Yale, Harvard and Stanford. While this type of tax policy does not exist in Canada, is such a move in the United States a harbinger for future tax considerations? The discussion regarding the size and distribution of endowments is included as it is a timely media story. That said, the U.S. budget reform legislation went into effect (December 31, 2017) after I had completed my data analysis and interviews, and after the Ontario matching program had expired. None of my data or interview responses could have been affected by this change in legislation. As of 2018, no Canadian university meets the $500,000 in endowment earnings per student threshold cited in the U.S. legislation.
Finally, and certainly most relevant to this study, a couple of articles were related to philanthropic matching programs. Responding to a famine crisis in Africa, the Canadian federal government announced a matching program for donations made to registered charities from March to June 2017. The Minister who announced the matching program indicated, “together, we can make a difference and bring relief to people who need urgent help.” Canadian Press (2017, np.) Citing the importance of taking advantage of this limited term matching program, an aid agency worker indicated that the matching funds would allow aid to reach twice as many children and families in the affected areas. Canadian Press (2017, np.) In yet another article related to matching programs, Van Sickler (2017, np) highlights a pending lawsuit in Florida given the state suspended payment on matching gifts programs to universities in light of difficult economic conditions. Arrears on these matching programs at a variety of universities are estimated at upwards of a billion dollars. This is a longstanding matching program “implemented in the 1970’s to encourage private philanthropy to public universities.” Van Sickler (2017, np.)

**Agency Theory**

It is well known that philanthropy has had a great impact on post-secondary institutions, but what role has the government had? There are many researchers who have worked on theories to describe the relationship between the government and post-secondary institutions. The most notable framework is the principal-agent (agency) theory. Macias describes the framework as:

the theory states that a principal (system office) determines the work and the agent (institution) undertakes the work with the expectation that the agent will make decision that are in the best interest of the principal. (Jensen & Meckling, 1976; Eisenhardt, 1985, 1989.) In return, the agent and the principal make an agreement outlining how much payment or resources will be given to the agent of the effort necessary to complete the task. This agreement is usually in the form of a contract. Macias (2012, p. 3.)
Still others outline the theory as “a perspective that views relationships from a contractual paradigm wherein a principal actor or organization contracts with an agent to carry out certain functions.” Lane and Kivisto (2008, p. 141.) In addition to the work by Lane and Kivisto, Ahmad, Farley and Naidoo (2012) also discuss this theory. This theory is applicable to many different fields – business, economics, law, political science etc. whereby there may be contrasting, even competing interests as well as distinctive viewpoints / information sources from which to make decisions and act accordingly. There are three key reasons why principal-agency theory is well-suited to describe the relationship between the government and post-secondary institutions. They are:

- universities are provided funds by the government using resources obtained from the taxpayer; universities produce products that can be considered as public goods for social good whose outcomes are difficult to measure and the government does not operate as a single principal as universities usually operate under explicit and implicit contracts with many funding bodies and government agencies. Ahmad, Farley and Naidoo (2012, p. 18.)

Donors are also part of the relationship. Indeed, donors, not the universities, are the government’s surrogate agents in matching programs. Universities are the government’s surrogate agents in matching programs. The state, as principal, invites the university, as agent, to use the state’s funding power as a marker incentive to persuade donors to direct their funding to a purpose designated by the principal.

**Clark’s Triangle**

Clark’s Triangle is another paradigm that discusses the relationship between the state, post-secondary institutions as well as the market. The third vertex, the market, has several components, of which students is one. Burton Clark, in 1983, introduced a ‘triangle of coordination’ model in which he explained the performance of systems of higher education. He identified three actors in this system: state, market and professional. Lang (2017, p. 1.) The state
is defined as the government; professional as colleges and universities; and market as the participants in the system. Participants could include students, parents, alumni and donors. How is this relevant to a study on the impact of matching gifts? Specifically, because with charitable giving, it is typically the recipient organization (the non-profit / charity) that decides the projects that need funding. Donors then choose if this a compelling or meaningful initiative to support philanthropically. Donors choose what and how to support. What initiative and whether to provide funds on an endowment basis – in essence to last in perpetuity, or to use the funds all at once. This was not the case under the Ontario government funded matching gift initiatives.

“Governments in order to leverage private funding – the ‘market’ leg – offer to match charitable gifts that as endowments are restricted to purposes designated by the state instead of donors.” Lang (2017, p. 3.) In other words, “in the case of matching funding … the ‘state’ uses its authority to determine what initiatives will be matched, not the other way around, as would otherwise be the case for charitable giving.” Lang (2017, p. 4.) In the case of the Ontario government funded matching gift initiative, universities and the colleges were agents acting as the government’s fundraisers. The universities were principals only to the extent that they could refuse to change their fundraising priorities or not take advantage of the matching gift opportunity. “While institutions see donors as principals, governments may see them as agents whose private wealth may be leveraged to replace public subsidies as incentives.” Lang (2017, p. 12.) Both agency theory and Clark’s Triangle provide useful frameworks for understanding the relationship between the government, universities and donors with respect to matching gift initiatives.
Matching Gifts

In order to situate effectively the forthcoming analysis of the survey, interviews and focus group sessions, it is important to have an understanding of research undertaken related to matching gift initiatives. There is history of both laboratory and field (sometimes referred to as theoretical and empirical) experiments. While a full analysis of all the work done in this regard is too broad a scope for this paper, the two types of experiments will be examined interchangeably categorized by theme. List (2008) in a useful overview article featuring the economics of charity identified the charitable marketplace representing three set of actors:

1. the donors ‘the supply side’ who provide resources to produce public goods; 2. government which decides the treatment of contributions and the level of grants to charities; and 3. charitable organizations ‘the demand side’ who develop strategies to attract resources to produce public goods. List (2008, p. 207.)

Several others discuss similar concepts (e.g., Andreoni, 2006; Andreoni and Payne, 2007.) All three of these actors play a role with respect to matching initiatives. For the purpose of this literature review, I have chosen to use concepts of challenge and matching grants interchangeably. However, these concepts are distinct when featured in the research. A challenge grant is paid if and when the organization is able to raise sufficient additional funds from other sources. Another way in which this is described is the lump sum concept. This is a publicly announced fixed level of resources from the external source flow to the group account only if the internal contributions of group members reach or exceed a pre-announced threshold level. The release of funds only occurs if the goal is met. (Philanthropy Works, 2017; Baker, Walker & Williams, 2009.) A matching gift is a gift made to the organization by a matching donor (sometimes referred to as a subsidizing agency) under the provision that another donor first makes a gift toward that organization. Another way this is described is ‘one to one’ matching. This is a resource unit that is contributed to the group account, matched by the
external source, up to a publicly announced maximum level. Note ‘one to one’ in this context does not refer to the match ratio rather the description of a matching program. Under this scenario, funds are released regardless if the goal is met. Eckel and Grossman (2006) describe a match as adding additional donations to the giver’s donation (Philanthropy Works, 2017; Baker, Walker & Williams, 2009; Davis, 2006). With a matching subsidy, the charity stands exposed to the possibility that private contributions do not meet expectations, resulting in a smaller than intended contribution from the donor. Similarly, without a publicly announced ceiling of contributions, the matching donor could be exposed to the possibility of a larger than intended contribution should private contributions exceed expectations. Davis (2006.)

There are three key categories related to the matching gift academic literature that I will discuss. They are: (1) matching gifts and rebates (tax deductions or credits); (2) matching gifts and the impact of match ratios and (3) matching gifts and unintended consequences such as the concepts of the free rider, crowding out of donations or signalling related to donations. Finally, I highlight a useful theoretical framework to categorize topics related to matching gifts.

**Matching Gifts and Rebates**

For a variety of reasons, such as good public policy, governments throughout the world subsidize donations by providing tax deductions. This is also referred to as a rebate mechanism. Deductions for charitable gifts lower the price of giving similarly to a rebate for a consumer good. Put differently, under the charitable tax deduction or a rebate mechanism, a portion of the donation returns to the donor. (Bekkers, 2015; Eckel & Grossman, 2006.) Many studies have been done to determine the relative effectiveness of matching gifts compared to rebates. Is one better than the other? Other studies examine why matches are more effective and / or what types
of individuals might find matching vs. rebates more appealing. The following briefly explores some of these studies.

Meier (2007, p. 1205) reviews the first laboratory experiment related to matching donations.

Eckel and Grossman (2003) present the first laboratory experiment which systematically analyzes matching donations. They show that the rebate and the matching mechanism lead to different behavioral effects in the short run. Matching donations leads to a higher amount of charitable giving than a rebate and is therefore more effective. According to this result, a matching mechanism is psychologically different from a pure rebate mechanism.

Eckel and Grossman (2003) suggest that matches are more effective than rebates because donors experience a match as an additional gift, while a rebate is not always viewed as such. The match ensures a higher donation to the charity at no cost to the donor. Eckel and Grossman (2003) and Andreoni (1995) present a “framing argument” whereby they suggest that offering a rebate generates a competitive orientation, while offering a matching amount generates a cooperative orientation. They find that matching initiatives are viewed more favourably by the donor. Davis and Millner (2004) as well as Davis, Millner and Reilly (2005) take issue with the research design and thus subsequent outcomes of Eckel and Grossman (2003). To this end, they undertake their own studies. Davis and Millner (2004) report findings similar to Eckel and Grossman (2003) with a clever undulation to their experiment. Davis and Millner (2004) are able to demonstrate effectively that the preference for matching subsidies is not unique to charitable giving but rather can also be attributed to purchasing consumer goods - most notably chocolate bars! Specifically, rebates were framed as refunds of a portion of the purchase price; matches were framed as multiple products for one price that is “buy two, get one free” (Davis & Millner, 2004; List, 2008; Eckel & Grossman, 2006). Further, Dove (2001, p. 21) states “donors
love the ‘buy one, get one free’ concept, and the ability to leverage a gift is an irresistible temptation for many.”

The review of the literature associated with matching gifts and rebates thus far has focused solely on laboratory experiments. While certainly it is critical to develop a hypothesis through a probing theoretical approach, there is a danger to relying solely on results from the lab if no validity is secured from fieldwork. List (2006 and 2008) List explores further the value of field work indicating two key benefits:

1. field experiments represent an important methodological innovation, as they bridge laboratory data and naturally-occurring data and 2. field experiments can play an important role in the discovery process by allowing us to make stronger inferences than can be achieved from lab or uncontrolled data alone. List (2008, p. 207.)

Exploring the effects of subsidies in the field, in partnership with a charity, enhances understanding of donation decision making. Eckel and Grossman (2008) undertook such a study in conjunction with the Minnesota Public Radio’s annual fund campaign. Testing for both rebate and matching preference, donors were randomly assigned into one of five groups that included one control group with no match or rebate; two groups with matching options and two groups with rebate options. The authors predicted that given rebates and matches present the donor with the same net cost of giving to the charity, there should be a similar level of giving. However, this did not occur. Eckel and Grossman (2008, p. 250) note, “experimental results contradicted this prediction: contributions were significantly higher with matching subsides than with rebate subsidies.” List also discusses this in his 2008 work.

Bekkers (2015) undertook an examination to determine the types of individuals who might be more inclined to leverage matching opportunities vs. rebate mechanisms. This research is particularly insightful as it features both laboratory and field experiments. The lab experiment included university students’ nationally representative sample of the Dutch population and the
fieldwork included a survey-based experiment with health charities. The findings suggest that matches are more effective than rebates mainly because they attract a larger pool of donors, and not necessarily because they generate higher amounts donated. Bekkers (2015, p.15.) This research is differentiated as it identifies what types of donors are more inclined to leverage matching gifts. It summarized that, matches are equally effective among different age groups, among persons with different religious affiliations, among homeowners and those renting a home, and among residents of towns with different sizes. However, the effect of matches did vary with gender and level of education. Specifically, the research found “females are less likely to donate a small amount than males, however, matches reverse the pattern: females are more responsive to matches than males. Further higher educated persons are more responsive to matches than lower educated person.” Bekkers (2015, p. 12.)

Why might a donor be more inclined to prefer a matching initiative versus a rebate? Bénabou and Tirole (2006) were curious about the “broader set of motives that shape people’s conduct and how it impacts the economic environment.” They noted “people commonly engage in activities that are costly to themselves and that primarily benefit others. They volunteer … give to charitable organizations … give blood…” Bénabou and Tirole (2006, p. 1652.)

Through the development of a theory,

they argue that if the motivation behind a donation is triggered by the concept of warm glow, then leveraging a rebate offer may make the donor feel less good or “greedy.” Warm glow would be unaffected (or possibly enhanced) by a match subsidy. Bénabou and Tirole (2006, p. 1654.)

Eckel and Grossman (2008, p. 250) also reference the development of this theory. The concept of “warm glow” is a well-accepted theory by Andreoni to help explain why individuals give to charity. He suggests donating is not purely altruistic as it provides a benefit to the donor in the
form of “feeling good” about helping others … or achieving a “warm glow.” (Andreoni, 1990; Oppenheimer, 2015.)

Garrett and Rhine (2010, p. 105) discuss the relationship between government spending and charitable contributions suggesting this is a function of donors’ potential motive for giving. They explore the likelihood donors are aware of tax policies and overall government spending policies and practices.

If politicians and government officials can create a fiscal illusion with respect to the size of individuals’ tax bills and the targets of public expenditures, then the predicted effect of government spending on donations can be quite different than it would be if individuals had perfect information regarding the taxing and spending activates of government. Garrett and Rhine (2010, p. 105.)

It is important to note that in the case of the Ontario government matching programs, donors were in receipt of two types of subsidies. If they donated funds to the defined matching program, then a government match was provided to their donation. Additionally, the donation would have been subject to standard tax rebate pending income levels etc.

**Matching Gifts and Match Ratios**

Another key topic in the literature that features matching gifts is some discussion related to impact of match ratios. Conventional wisdom suggests that donors will respond more favourably to a higher matching amount. In other words, the greater the matching funds available, the greater the likelihood a donation will be made. Karlan and List (2007) undertook a large-scale natural field experiment to assess the popular notion of the greater impact with a higher match ratio. They tested donors at an unnamed charity by separating them into two groups – those who received a matching gift offer and those who did not. Those who receive a matching gift offer were further divided to test for response to 1:1 (or dollar for dollar) matching, 2:1 (for every dollar the donor donates, two dollars is provided through the match), and 3:1 (for
every dollar the donor donates, three dollars is provided through the match.) (Karlan & List, 2007; Hall, 2006.)

They found that by simply “announcing that match money is available, considerably increased the revenue per solicitation - by 19 percent.” Karlan and List (2007, p. 1774.) Meaning, among donors who received a matching-gift appeal, contributions were nineteen percent higher than among those who were simply asked to make a gift. “In addition, the match offer significantly increased the probability that an individual donates - by 22 percent.” Karlan and List (2007, p. 1774.)

What was most striking about the research were the results related to optimal matching ratio. They found, "at odds with conventional wisdom, we find that larger match ratios (i.e., $3 to $1 and $2 to $1) relative to smaller match ratios ($1 to $1) have no additional impact.” Karlan and List (2007, p.1790.) Further, Gong and Grundy (2014, p. 148) stated that “their experiment directly refuted the integrity of using larger match ratios, and stands in sharp contrast to current fundraising practices.”

The Karlan and List (2007) experiment was expanded upon by Karlan, List and Shafir (2011) in an attempt to secure greater specificity related to the impact of various matching ratios. Results from the 2007 study were duplicated and confirmed. Two new components were added to the 2011 research. The first was whether there were different reactions to matching ratios based on how recently donors have given to the particular charity. The researchers found that “those who have given less recently respond negatively to the match.” Karlan et al. (2011, p. 348.)

The second new parameter to the 2011 experiment was related to the positioning of the match. To test for a less than 1:1 match ratio, the researchers introduced a 1:3 (for every 3 dollars
the donor donates, one dollar is provided through the match.) The researchers found that if a multiplier of the match was presented to the potential donor, for example “if you give $75, the matching donor will give $25, vs. if you give $3, the donor will give $1, then the larger example amount actually causes harm.” Karlan et al. (2011, p. 348.) The researchers suggested that the “policy prescription from the 2007 and 2011 studies suggest that a ratio at or above 1:1 might be optimal.” Karlan et al. (2011, p. 348.)

Rondeau and List (2008) undertook experiments to examine the role of matching and challenge gifts to charities. What is particularly noteworthy with this study is they undertook both laboratory and natural field experiments. They found that general observations of laboratory work were able to provide evidence through the field experiments. Specifically, Rondeau and List (2008, p. 266) found the “qualitative insights gained from the laboratory are quite similar to those in the field…and secondly the lab experiment helped to uncover the cause and underling conditions necessary to produce the data patterns observed in the field.” They provide definitions for these two terms, namely:

- a challenge gift is an unconditional commitment by a donor to provide a given sum of money to the cause. Alternatively, a matching gift is a conditional commitment by the leadership donor to match the contribution of others at a given rate, up to the maximum amount the leadership donor is prepared to give. Rondeau and List (2008, p. 266.)

Their data suggest that the,

gains from implementing a matching gift campaign are not as strong as the gains from a challenge gift campaign. These results provide little support for the fundraiser view that announcing that individual donations will be matching on a 1:1 ratio by a leader is an effective way of leveraging higher donations. Rondeau and List (2008, p.261.)

Oppenheimer (2015) reviews various matching gift experiments. This research suggests that matching “from an economic perspective, means that the ‘price’ of a donation has been reduced; it only costs the donor a dollar to ensure that the cause receives two dollars (amount
increases depending on the matching ratio.) Oppenheimer (2015, p. 206.) The research discusses the idea that a discounted cost might inspire more donations. Specifically, Eckel and Grossman (2003) “demonstrated laboratory evidence that it can, under some circumstance increase donations.” Oppenheimer (2015, p. 206.) However, Oppenheimer also discusses, “the evidence for the ineffectiveness of the matching gift strategy from a number of field studies.” Oppenheimer (2015, p. 206.) Notably, as discussed, Karlan and List (2007) as well as Rondeau and List (2008) both identified matching gifts not having as great an impact as convention wisdom might suggest. Oppenheimer (2015, p. 207) recommends that if,

charities are fortunate enough to have fungible funding; they should not use this revenue for matching gifts. Instead, non-profit organizations should use their unrestricted funds to cover overhead costs so that they can apply 100% of donor gifts directly toward the cause.

Matching Gifts and Unintended Consequences

The literature also features matching gifts and resulting unintended consequences. Some of these inadvertent results include the concepts of free rider, crowding in and out. In essence, free rider entails the use of public goods by individuals without paying for them – typically in the form of their share of taxes. Public goods are non-rivalrous and non-excludable meaning more than one individual can use them. This is because there is no finite number. They are entitlements that the state promises to provide. Common goods are public goods that may be exploited such as through the tragedy of the commons concept of free riders. Crowding in occurs when government shortfalls encourage contributions. Government spending or lack therefore, can either boost demand by creating scarcity or depress demand by expanding subsidized supply. Crowding out occurs when individual participation decreases because of an increase in government spending. Andreoni and Payne (2010, p. 1) state:
when the government gives a grant to a private charitable organization, do the donors to that organization give less? If they do, it is because the grants crowd out donors who feel they gave through taxes (classic crowd out), or it is because the grant crowds out the fundraising of the charity who, after getting the grant, reduce the efforts of fundraising (fundraising crowd out.)

Garret and Rhine (2010) outline several economic theories used to explain why individuals donate to charitable organizations. The theory of perfect altruism features a donor emphasis of the total funds received by a charity.

If the charity receives funding from other sources, including governments, the donor will reduce their contribution by that amount. The implication is that government spending completely crowds out charitable giving, if in the eyes of the donor, the appropriate funding level is met. Garret and Rhine (2010, p. 105.)

The second theory is the warm glow theory of giving; donors receive satisfaction from the act of giving. This theory suggests the act of giving, in and of itself, is the reward.

Donors prefer gifts to be made by themselves rather than others. They consequently view their own $1 contribution as different from a $1 increase in government spending on the charity. The implication of this theory is that government spending results in partial or no crowding out. Bénabou & Tirole (2006, p. 1656.)

Bekkers takes this theory one-step further and examines what happens when donors receive contributions to their gifts. Bekkers (2015, p. 3) notes,

when donors receive a subsidy for giving, they can no longer attribute their giving to altruistic motives. In that case, donors who have altruistic motives for giving may reduce their giving because giving would endanger their altruistic self-identity. This is called the ‘motivational’ crowding-out effect.

Under this theory, the receipt of a subsidy or contribution could occur in the form of a rebate or matching funds.

The final rational for charitable contributions featured in Garrett and Rhine (2010) is because of prestige. (Glazer & Konrad, 1996.) This theory suggests individuals give because of the recognition donors believe they receive from their names made publicly available with corresponding donation levels. Under this theory, Garret and Rhine (2010, p. 105) highlight,
“charities can increase donations by reporting such information. The prestige theory of giving implies no effect of government spending on contributions absent any wealth effects.”

Gong and Grundy (2014) further explore theoretical considerations regarding matching gifts and seed money. They do so from both the perspective of the donor and the recipient organization.

They have compared two approaches to fundraising given a large donor: matching schemes versus seed money schemes. Under both approaches the total amount raised is increased in the size of the leadership gift. Thus, an increased leadership gift never crowds out more in small donations than it adds directly. This means that a charity should never turn down a major leadership gift because of a concern about crowding-out...a matching gift will always raise more in total than a seed money approach. Gong and Grundy (2014, p. 157.)

Further, they find:

our model gives a theoretical underpinning for recent experimental studies comparing matching grants versus seed money in charitable fundraising. In particular Karlan and List (2007) and Huck and Rasul (2011.) These studies demonstrate that small donor giving can decrease when the match ratio increases, while simultaneously both the match required form the large donor and the total amount raised increases. Gong and Grundy (2014, p. 158.)

Building on Meier’s (2005) study, Davis (2006) explored the relationship between rebate subsidies, matching subsidies and isolation effects. The concept of isolation effects suggests that when give a complex problem, people tend to focus on only those components that they can control or affect them most directly. Davis’ laboratory explorations confirmed the field work of Meier’s 2005 study. Implications included subsidy manipulation should be treated with care given temporary manipulations may result in lower giving in the long run. Davis (2006, p. 21.)

A field examination was undertaken by Meier. “This experiment tested the effect of a matching mechanisms on donations in a randomized field experiment.” Meier (2007, p. 1218.) There are two key results from this experiment.
First, matching donations increase contributions to both funds in the period in which donations are matched. Second, if the matching mechanism is removed, the proportion of people who contribute to the funds decreases. Especially in the initial period after the field experiment, fewer people are willing to contribute. Meier (2007, p. 1219.)

**Theoretical Representation**

Another representation of the literature featuring matching gift material is a theoretical framework presented by Helms-McCarty, Diette and Holloway. They identify:

five categories that capture the expected effects of the bonus trigger offer: changing the price of giving; signalling the quality of the organization; signalling the appropriate timing of gifts to the organization; introducing skepticism that the offer is a gimmick, and introducing social cues in to the giving decision. Helms-McCarty, Diette and Holloway (2016, p. 265.)

The first category, changing the price of giving, focuses on two key issues, namely, the presence of matching should increase the likelihood a donor gives. With the presence of a greater match ratio, this should lead to even more donors giving. That said, the average gift amount could diminish given it is now “cheaper” to accomplish the same goal. In other words, if matching is present, the recipient organization, the charity, receives the same amount of overall funding with a lesser donation amount from the donor. (Helms-McCarty et al 2016; Bekkers & Wiepking, 2001; Karlan & List, 2007.)

The second grouping, signalling the quality of the organization, communicates an external validation of the worthiness of the charity for receipt of donations. If an external entity (government or individual) provides a match, then the charity should benefit from the endorsement provided by this partner. This theory suggests that there will be an increase in giving by either amount of giving and/or number of donors. (Helms-McCarty et al., 2016; Bekkers & Wiepking, 2001; Karlan & List, 2007.)

The next category, signalling the appropriate timing of gifts to the organization, indicates that the presence of matching funds impact when a gift is made. This theory suggests that more
people will give at a particular time. The theory however is not able to predict whether the amount of money donated will increase or decrease given the time-limited access to the matching funds. (Helms-McCarty, et al., 2016; Bekkers & Wiepking, 2001; Karlan & List, 2007.)

Introducing skepticism that the offer is a gimmick is the fourth category. This classification indicates that the request for funds because of the presence of a match might be met unfavourably given the donor may believe the “matching” funds will be available regardless of whether a donation is made. At best, the potential donor may see this as insincere and thus may ignore or avoid the request for funds. At worst, the potential donor may see this as duplicitous in which case trust and partnership with the organization could be in danger of being lost. Preston (2012a, np) also examined whether or not there is increased skepticism regarding the availability of matching funding. “People may question whether the matching money really exists. Would-be donors may also be skeptical of whether a charity really faces a deadline to raise the matching dollars.” (This was also discussed by Helms-McCarty et al., 2016; Karlan & List, 2007.)

The final and fifth category, introducing social cues into the giving decision, suggests a similar signalling mechanism. In this instance, the indication is not about whether to give to a particular charity but rather the amount of money donated. Donation amounts could increase or decrease depending on the current giving of a particular donor. (Helms-McCarty et al., 2016.) This category also explores the behavioural decisions associated with giving. “Some donors give in response to social pressure or to fit in with social norms which can provide social benefits and support and help establish a sense of identity and belonging.” Oppenheimer (2015, p. 204.) Other scholars also discuss behavioural decisions associated with giving. For examples of this, see Croson and Shang 2011; as well as Martin and Randal, 2011.
Chapter Summary

This chapter featured a literature review on the role of philanthropy. Specific topics reviewed included a fundraising overview: historic issues related to fundraising; current headlines featuring fundraising; agency theory; Clark’s triangle; matching gifts; matching gifts and rebates; matching gifts and match ratios; matching gifts and unintended consequences and a theoretical representation.

These discussions provide useful background to the upcoming results of the survey and interview and focus group sessions. The next chapter, chapter four, features an overview of the research design and methodology.
Chapter Four: Research Design and Methodology

In this chapter, I present the research design and methodology used in this study. The purpose of this study was to understand better the components associated with charitable giving and, specifically, to understand the impact of matching funds on philanthropy when combined with the promotion of public policy. The work thus far has presented the necessary building blocks to attain greater knowledge regarding this question.

Research Questions

The research questions that drove this study were: 1. Do matching opportunities have an influence in philanthropic decision-making about the amount of individual gifts and the “causes” to which gifts are directed? 2. What aspects of matching encourage donations, for example the ratio, the purpose or “cause”, the advancement of public policy, the association with the university? 3. Is the timing, frequency or designation of gifts affected by the presence of matching? 4. What kinds of gifts are most amenable to certain incentives (for example, buildings and naming)? 5. To what extent does government-initiated matching advance public policy? The questions relating to the determination matching gifts could have on philanthropy are seemingly endless. The key methodological question undoubtedly is how best to secure these answers?

Engaging with those most personally and directly involved will uncover the most relevant information in the timeliest manner. Thus, in order to secure the answers to my questions, it is certainly most straightforward to go directly to donors. What is the best manner to do so? What mechanisms should be employed to secure relevant and reliable answers from donors who participated in matching gift programs? The following discussion addresses these issues.
Research Design

There are a variety of research designs that further exploration, the collection of data, and enablement of analysis. Typically, these research methods fall into two categories: qualitative and quantitative. Within these two broad categories, there are a number of different examples of ways in which to secure primary data. The method(s) employed largely depend on the type of analysis undertaken, resources available and type of information sought. What are some of the features of these two types of research?

Qualitative Research is primarily exploratory research. It secures a better understanding of underlying reasons, opinions, and motivations. It provides insights into the problem or helps to develop ideas or hypotheses for potential quantitative research. Data are descriptive; they are words sentences and / or ideas. Creswell (2014, p. 204.)

Quantitative Research measures the question by generating numerical data. It quantifies attitudes, opinions, behaviours, and other defined variables. As the name suggests, this research is about numbers. Survey participants provide an answer that corresponds to a number, similar to selecting numbers x through y (1 through 5) on a satisfaction score, typically referred to as a Likert Scale. Creswell (2014, p. 200.) These methods can often be complementary, further illuminating both types of research findings.

The research in this study will build on Karlan, List, and Shafir (2010) who tested the effectiveness of different sized matching grants on giving; Preston (2012a) who examined whether or not there is increased skepticism regarding the availability of matching funding as well as Rondeau and List (2008) who studied the impact of challenge vs. matching grant programs.
Research Methods

In order to secure as robust an understanding of the various research questions, for the purpose of this study, both quantitative and qualitative techniques were used, that is, this study used a mixed-methods case study approach. The case that was selected had clear boundaries, and a completion date that made it possible to attain results and analysis without any “loose ends” or other uncertainties.

The quantitative research data were collected by a web-based survey questionnaire. “A survey is a research study in which data are collected from part of a group, for the purpose of describing one or more characteristics of the whole group.” Creswell (2014, p. 200.) The rationale for using this method was to reach as large a group of donors to ascertain high-level responses to questions regarding matching funds and their relation to philanthropic support. For this particular survey, only five-point options or Likert Scale type responses were choices for response. There were no options for submission of free flow text or other commentary.

The qualitative research method used was self-selected follow-on interviews to the web-based survey. In other words, individuals who participated in the web-based survey were invited to participate in semi-structured interviews. The interviews were conducted both in person and via telephone as well as through focus groups (all in person). The same questions were asked in the interviews and focus group sessions. The rationale for using this method was to secure information that was more detailed and in greater context than would be possible through the self-completed web-based survey. “The focus of qualitative research is on participants’ perceptions and experiences.” Creswell (2014, p. 206.)
Site Selection

The case study featured donors to the University of Toronto who participated in a matching program between the years 1995 and 2005. The provincial government funded a matching program in support of student financial need during this period. The rationale for selecting Ontario and the University of Toronto are multi-fold. The matching program was trilateral – matching funds were provided both from the province and the University of Toronto – triggered by an initial donation from a University of Toronto donor. For the purpose of my study, I focused on University of Toronto alumni who participated in this program. Other features of the case study – the matching program had a long and definite life-span; the life-span had run its course, thus making final observations and conclusions possible. The matching programs were in place under two governments – one Conservative and one Liberal – thus nullifying the possibility that it was short-term political ideology instead of public policy. The University of Toronto not only presented the largest possible sample size, it also presented the most varied sample: undergraduate, graduate and professional. The University of Toronto data base is large and robust, the biggest and most diverse in Canada. Given all of these reasons, this made this the ideal case study. Permission to use and name this site was secured from the University of Toronto (Appendix A.) Finally, by a fortuitous coincidence, the University of Toronto’s matching program and priorities for it were formally set prior to, and separately from, the government’s matching program, which also had formal regulations. The juxtaposition made possible methodological clarity in analyzing survey and interview results.

Participant Selection

Determining individuals to participate in the research was less obvious than selecting which research methods to employ. Participant selection in any research initiative involved
making choices. The first step was to determine the total number of donors and corresponding dollar amounts that leveraged matching programs. The timeframe chosen was 1995 – 2005. This was the period where the bulk of matching programs occurred among universities province-wide and particularly at the University of Toronto. It was also before the province began to overhaul its student financial aid program. This was also roughly the timeframe of the University of Toronto’s last significant fundraising campaign – *The Great Minds Campaign*. I deliberately chose to avoid donations to the current University of Toronto (U of T) fundraising campaign – *The Boundless Campaign*. I did not want to impact any perceived or actual current gift discussions or stewardship initiatives. I believed that using historical data and relying on previous donor experiences would not compromise or impinge on current fundraising or advancement activity.

Data were pulled from the University of Toronto advancement donor database - entitled Arbor - in January of 2017. There are a variety of matching gift programs that existed between 1995 and 2005. Table 1 highlights the types of Ontario government matching programs and corresponding number of donors to each program.
### Table 1

*Types of matching programs and numbers attributed to these matching programs – 1995 - 2005.*

<table>
<thead>
<tr>
<th>Matching Program*</th>
<th># Unique Donors</th>
<th>% Unique Donors</th>
<th># Matching Pledges</th>
<th>% Matching Pledges</th>
<th>Matching Dollars Pledged</th>
<th>% Matching Dollars Pledged</th>
</tr>
</thead>
<tbody>
<tr>
<td>OGS</td>
<td>1,061</td>
<td>3.0</td>
<td>1,188</td>
<td>2.8</td>
<td>8,895,216</td>
<td>7.7</td>
</tr>
<tr>
<td>OSOTF</td>
<td>27,620</td>
<td>76.9</td>
<td>32,659</td>
<td>78.0</td>
<td>81,783,428</td>
<td>70.4</td>
</tr>
<tr>
<td>OSOTF II</td>
<td>5,457</td>
<td>15.2</td>
<td>6,068</td>
<td>14.5</td>
<td>13,439,393</td>
<td>11.6</td>
</tr>
<tr>
<td>OTSS</td>
<td>1,356</td>
<td>3.8</td>
<td>1,473</td>
<td>3.5</td>
<td>8,832,367</td>
<td>7.6</td>
</tr>
<tr>
<td>QEII</td>
<td>418</td>
<td>1.2</td>
<td>465</td>
<td>1.1</td>
<td>3,188,397</td>
<td>2.7</td>
</tr>
<tr>
<td>Grand Total**</td>
<td>35,912</td>
<td>100%</td>
<td>41,853</td>
<td>100%</td>
<td>$116,138,800</td>
<td>100%</td>
</tr>
</tbody>
</table>

* Acronyms identified matching programs. These included: OGS = Ontario Graduate Scholarship; OSOTF = Ontario Student Opportunity Trust Fund; OSOTF II = Ontario Student Opportunity Trust Fund II (two); OTSS = Ontario Trust for Student Support; QEII = Queen Elizabeth II Graduate Scholarship in Science and Technology (formerly OGSST = Ontario Graduate Scholarship in Science and Technology.)

**Grand total is larger than Table B unique donor count as donors could donate to multiple matching programs.

Source: Division of University Advancement, Arbor Database.

Given some donors contributed to more than one matching program, a further analysis of the number of unique donors was necessary. I wanted to know the number of unique donors to ascertain how many individuals could potentially be contacted for participation in the survey and possible subsequent interviews. The total number of unique donors who participated in matching gift programs at the University of Toronto between 1995 – 2005 was 33,652. The majority of donors were from the alumni constituency group - 28,364 unique donors or 84.3% of the total number of participants in the various matching programs. Table 2 presents the analysis of donor type and corresponding numbers attributed to each donor type.
Table 2

Total Number of Donors Participating in Matching Programs at the University of Toronto from 1995 – 2005. This includes the amount donated by each donor type.

<table>
<thead>
<tr>
<th>Donor Type</th>
<th># Unique Donors</th>
<th>% Unique Donors</th>
<th># Matching Pledges</th>
<th>% Matching Pledges</th>
<th>Matching Dollars Pledged</th>
<th>% Matching Dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alumni</td>
<td>28,364</td>
<td>84.3</td>
<td>35,029</td>
<td>83.7</td>
<td>$39,297,875</td>
<td>33.8</td>
</tr>
<tr>
<td>Corporations</td>
<td>557</td>
<td>1.7</td>
<td>893</td>
<td>2.1</td>
<td>$30,839,846</td>
<td>26.6</td>
</tr>
<tr>
<td>Foundation</td>
<td>94</td>
<td>0.3</td>
<td>143</td>
<td>0.3</td>
<td>$26,627,737</td>
<td>22.9</td>
</tr>
<tr>
<td>Friend</td>
<td>4,469</td>
<td>13.3</td>
<td>5,560</td>
<td>13.3</td>
<td>$9,863,885</td>
<td>8.5</td>
</tr>
<tr>
<td>Organization</td>
<td>168</td>
<td>0.5</td>
<td>228</td>
<td>0.5</td>
<td>$9,509,456</td>
<td>8.2</td>
</tr>
<tr>
<td>Grand Total</td>
<td>33,652</td>
<td>100%</td>
<td>41,853</td>
<td>100%</td>
<td>$116,138,800</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Division of University Advancement, Arbor Database.

The initial unique donor counts were quite encouraging in order to secure a robust sample size to extend invitations to participate in both survey and subsequent interview and focus group engagement. However, given individual donor preferences and corresponding Freedom of Information and Protection of Privacy Act (FIPPA) legislation, it was likely that I may only be able to contact a portion of these unique donors. FIPPA was incorporated in 2006 and ensures the protection of privacy on information held about individuals. This allows individuals to put conditions on contact with them, such as the purpose, frequency and/or mechanism of interaction. Further to potential legislative restrictions, any database is only as good as its inputs. Individuals can change employment or geographic locations and often have corresponding changes to their contact information. Providing their updated contact information to the post-secondary institutions they are associated with (or any other institution for that matter) is not always a top priority.

The reality is that most databases of alumni information are old, not up to date or incomplete. Getting alumni to engage enough to update their contact information is often
impossible. Individuals often self-declare on websites like LinkedIn much more readily than they do registering with their alma mater. Forth (2016, np.)

Given this, it was highly likely that valid contact information would reduce the sample size even further. Finally, following an analysis of the types of donors and corresponding numbers associated with each group, I decided to focus solely on alumni for the purpose of this study. I chose the alumni constituency as this represented the largest group of consistently defined unique donors. Further, I believed this group has the most compelling reasons to stay engaged with U of T, thus the hope was that contact information for this group was as up to date as possible.

Once I determined that alumni donors to matching programs would serve as the sample pool, I was curious to know what was the age range of the donors when they made their first gift to a matching program? Table 3 features a breakdown of giving by age range. Note the first gift may have been made any time between 1995 and 2005. Given the age range was up to 25 years and then roughly in 9-year increments, I hoped the lack of specificity of the particular year of giving was irrelevant. Examining the breakdown of percentage of unique donors, it was determined that a robust distribution of age ranges, number of matching pledges and amount of matching pledges was present. I hoped this would allow for participation in the survey by alumni in different life stages, and those who have given varying donation amounts.
Table 3

Alumni Age at First Matching Gift Pledge Plus Participation in Matching Programs

<table>
<thead>
<tr>
<th>Age at First Matching Pledge</th>
<th># Unique Donors</th>
<th>% Unique Donors</th>
<th># Matching Pledges</th>
<th>% Matching Pledges</th>
<th>Matching Dollars Pledged</th>
<th>% Matching Dollars Pledged</th>
<th>Average Matching Dollars Pledged</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 25 years</td>
<td>1,354</td>
<td>4.77</td>
<td>1,415</td>
<td>4.04</td>
<td>96,068</td>
<td>0.24</td>
<td>63</td>
</tr>
<tr>
<td>25 to 34 years</td>
<td>4,427</td>
<td>15.61</td>
<td>5,130</td>
<td>14.65</td>
<td>655,577</td>
<td>1.67</td>
<td>101</td>
</tr>
<tr>
<td>35 to 44 years</td>
<td>5,099</td>
<td>17.98</td>
<td>6,089</td>
<td>17.38</td>
<td>6,766,216</td>
<td>17.22</td>
<td>1,071</td>
</tr>
<tr>
<td>45 to 54 years</td>
<td>4,634</td>
<td>16.34</td>
<td>5,867</td>
<td>16.77</td>
<td>5,825,712</td>
<td>14.82</td>
<td>670</td>
</tr>
<tr>
<td>55 to 64 years</td>
<td>2,943</td>
<td>10.38</td>
<td>3,788</td>
<td>10.81</td>
<td>9,272,086</td>
<td>23.59</td>
<td>1,200</td>
</tr>
<tr>
<td>65 to 74 years</td>
<td>2,660</td>
<td>9.38</td>
<td>3,545</td>
<td>10.12</td>
<td>6,208,459</td>
<td>15.80</td>
<td>1,758</td>
</tr>
<tr>
<td>75 to 84 years</td>
<td>1,254</td>
<td>4.42</td>
<td>1,654</td>
<td>4.72</td>
<td>2,205,356</td>
<td>5.65</td>
<td>1,308</td>
</tr>
<tr>
<td>85 years plus</td>
<td>206</td>
<td>0.73</td>
<td>278</td>
<td>0.79</td>
<td>727,615</td>
<td>1.85</td>
<td>2,521</td>
</tr>
<tr>
<td>Unknown</td>
<td>5,787</td>
<td>20.40</td>
<td>7,254</td>
<td>20.71</td>
<td>7,525,606</td>
<td>19.15</td>
<td>732</td>
</tr>
<tr>
<td>Grand Total</td>
<td>28,364</td>
<td>100%</td>
<td>35,029</td>
<td>100%</td>
<td>$39,297,875</td>
<td>100%</td>
<td>$835</td>
</tr>
</tbody>
</table>

Source: Division of University Advancement, Arbor Database.

I hoped to secure the best possible survey response rate and to be most efficient with resources. For this reason, I determined that University of Toronto alumni who had participated in matching gift programs between 1995 and 2005 should be invited to participate in the self-completed web-based survey by email request. In order to do this, it was necessary to ascertain how many of the 28,364 alumni who were matching gift donors had valid contact information and / or had provided permission to allow contact. To this end, I undertook an analysis of the availability of their contact information. Table 4 features a summary of the number of alumni currently contactable by email.
Table 4

<table>
<thead>
<tr>
<th>Estimated Current Age Group</th>
<th># Unique Donors</th>
<th>% Unique Donors</th>
<th># Email Addresses</th>
<th>% Email Addresses</th>
<th># Email Restriction*</th>
<th>% Email Restrictions</th>
<th># Email Contactable</th>
<th>% Email Contactable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 25 years</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>25 to 34 years</td>
<td>57</td>
<td>0.2</td>
<td>39</td>
<td>68.4</td>
<td>3</td>
<td>5.3</td>
<td>3</td>
<td>63.2</td>
</tr>
<tr>
<td>35 to 44 years</td>
<td>1,551</td>
<td>6.6</td>
<td>905</td>
<td>58.3</td>
<td>57</td>
<td>3.7</td>
<td>848</td>
<td>54.7</td>
</tr>
<tr>
<td>45 to 54 years</td>
<td>4,048</td>
<td>17.2</td>
<td>1,894</td>
<td>46.8</td>
<td>112</td>
<td>2.8</td>
<td>1,782</td>
<td>44.0</td>
</tr>
<tr>
<td>55 to 64 years</td>
<td>5,471</td>
<td>23.2</td>
<td>2,709</td>
<td>49.5</td>
<td>202</td>
<td>3.7</td>
<td>2,507</td>
<td>45.8</td>
</tr>
<tr>
<td>65 to 74 years</td>
<td>6,156</td>
<td>26.1</td>
<td>2,878</td>
<td>46.8</td>
<td>228</td>
<td>3.7</td>
<td>2,650</td>
<td>43.0</td>
</tr>
<tr>
<td>75 to 84 years</td>
<td>3,601</td>
<td>15.3</td>
<td>1,704</td>
<td>47.3</td>
<td>160</td>
<td>4.4</td>
<td>1,544</td>
<td>42.9</td>
</tr>
<tr>
<td>85 years plus</td>
<td>2,577</td>
<td>10.9</td>
<td>763</td>
<td>29.6</td>
<td>84</td>
<td>3.3</td>
<td>679</td>
<td>26.3</td>
</tr>
<tr>
<td>Unknown</td>
<td>113</td>
<td>0.5</td>
<td>33</td>
<td>29.2</td>
<td>3</td>
<td>2.7</td>
<td>30</td>
<td>26.5</td>
</tr>
<tr>
<td>Grand Total</td>
<td>23,574</td>
<td>100%</td>
<td>10,925</td>
<td>46.3</td>
<td>849</td>
<td>3.6</td>
<td>10,076</td>
<td>42.7</td>
</tr>
</tbody>
</table>

Source: Division of University Advancement, Arbor Database.

A comparison between Tables 3 and 4 highlights one of the difficulties with selecting to engage with donors from a static timeframe a decade to two decades ago - namely not all of the individuals are still with us. Approximately 5,000 alumni who participated in matching gift programs from 1995 - 2005 have since passed away. Specifically, 4,790 alumni are deceased resulting, in part, to a change in number of unique donors within age group ranges. Further, less than half of the alumni had email addresses on the database system. I presumed that these email addresses were all valid; however, not all addresses were accurate. Even though alumni may
have emails on the database system, they may not wish to be contacted for certain types of engagement for a variety of reasons.

To determine which of the alumni who had emails on the database system could potentially be contacted, the most conservative approach to alumni restriction contact codes were applied to the sample size. Restriction codes are applied to an alumnus / alumna record when specifically asked for by the individual (institutional graduate.) The application of restriction codes can vary depending on the potential engagement of the individual. For this study, a conservative approach was taken to applying contact restriction codes as self-selected by alumni. This was done to ensure the upmost respect to alumni preferences when securing the sample for invitation to participate in the survey. Restrictions codes are applied to various engagement methods with the individual. These included all academic divisions plus the Division of University Advancement – all contact mediums: all contact purposes (announcements, appreciations, deceased, holiday cards, invitations, magazines/newsletters, meetings, solicitations and surveys. A further application of email restrictions: all contact purposes (announcements, appreciations, holiday cards, invitations, magazines/newsletters, solicitations and surveys. While the secondary application of email restrictions was likely redundant – it did ensure it captured any records that may have been coded incorrectly.

Fortunately, even with all the restriction codes applied to alumni records, only 7.7% (849 of 10,925) of alumni records were removed from the sample size. This left 10,076 alumni with email addresses and who had provided permission to contact them. Further, given the age distribution of the contactable alumni compared with the non-contactable alumni within the matching gift donor group (as noted in Table 3, column 8 - # email contactable), I believed that the 10,076 group of individuals would make up a representative sample size for the survey and
subsequent interview and focus group initiatives. I hoped that a 5% response rate would be secured for the survey, meaning some 500 alumni would respond to the request for survey participation.

Once I determined the sample to include in this study, it was then necessary to determine how to contact these individuals. Research protocols, and indeed the agreement reached with the Division of University Advancement (DUA), University of Toronto in conducting this study, necessitated that individual participation had to be done anonymously. Given (at the time), there was no previous provision for researchers (faculty members or students) to contact alumni directly, a new protocol was established. A senior staff member from the DUA whose role did not include contacting alumni or donors to extend invitations, provide updates or secure donations sent an introductory email inviting participation to the survey to each of 10,076 alumni. Thus, it was therefore highly unlikely that University of Toronto alumni would have heard from this senior staff member previously or would connect him with the solicitation of gifts. This control was put in place specifically to address the previously described goal of not compromising current philanthropic gift discussions, engagement mechanisms or stewardship initiatives. The email (Appendix B) sent outlined the goals of the project and provided the necessary disclaimer information, such as:

your contact information has not been shared with the doctoral student. Participation in this study is completely voluntary and participants will not be identifiable in any reporting of the findings. You are free to decline to answer any question(s) you do not wish to answer and are free to withdraw from the study without explanation at any time. All information gathered before withdrawal will be deleted and not included in the study findings.

The invitation to participate in this study was sent on February 17, 2017. This date initiated the survey in the field. The timeline of my survey needed to be as short-lived as possible in order not to confuse respondents or compromise any current U of T engagement
mechanisms. The University of Toronto launched its first ever-comprehensive Alumni Impact Survey on April 19, 2017. The purpose of the Alumni Impact Survey is for U of T to understand the global impact of the alumni community - unique cultural, social, and economic contributions that are made. While my survey on donor motivations and the UofT’s survey on alumni impacts within various communities were very different in motivations and intended outcomes, sampling the same population at a similar timeframe can adversely influence participation rates. Indeed, a request was shared with the U of T community to not conduct this type of research when the Alumni Impact Survey was in the field, “survey fatigue can significantly and negatively affect response rates. For this reason, we ask that you refrain from conducting surveys of alumni until after June 19, 2017.” AIS (2017, np.) Thus, the survey associated with my research included only one request for participation. My survey was closed on April 28, 2017. The survey instrument used was Survey Gizmo. This software was housed on a secure University of Toronto server.
Response Rates

Table 5 provides a comprehensive overview of the participants and period of the survey and interview and focus group sessions.

Table 5

*Total Number of Possible Survey Participants; Actual Number of Survey Participants*

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total # of donors to matching programs: 1995 – 2005</td>
<td>28,364</td>
</tr>
<tr>
<td>Total # of donors possible to contact via email</td>
<td>10,076</td>
</tr>
<tr>
<td>Total # of donors survey was emailed to</td>
<td>10,046</td>
</tr>
<tr>
<td>Total # of emails opened</td>
<td>3,356</td>
</tr>
<tr>
<td>Total # of individuals who clicked through to survey</td>
<td>730</td>
</tr>
<tr>
<td>Total # of individuals who completed the survey</td>
<td>715</td>
</tr>
</tbody>
</table>

There is a large discrepancy between the total number of donors emailed to and the total number of emails opened. This is partly attributed to poor contact information. In addition, at the time of the survey distribution there were a number of large scale spamming incidents and data breaches. It is presumed that may have cautioned individuals from opening surveys. Given the goal to not compromise any current U of T engagement mechanisms only one email was sent to invite participation in the survey. There was no follow-up mechanism via email, mail or phone.
Table 6 provides an overview of individuals who agreed to follow-up participation to the survey.

**Table 6**

*Number of Individuals who Participated in Interview and Focus Group Sessions*

<table>
<thead>
<tr>
<th>Description</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total # of individuals who agreed to participate in an interview / focus group</td>
<td>77</td>
</tr>
<tr>
<td>Total # of individuals who actually participated in an interview / focus group</td>
<td>46</td>
</tr>
<tr>
<td># of males</td>
<td>19</td>
</tr>
<tr>
<td># of females</td>
<td>27</td>
</tr>
</tbody>
</table>

The discrepancy in the number of individuals who agreed to participate and who actually participated was largely due to scheduling and life events. Some had previously scheduled vacations, medical appointments, unanticipated emergencies etc. There was only one participant who indicated an initial interest in participation and who then subsequently withdrew.

**Data Collection and Recording**

The data were collected in three phases. Phase one consisted of database analysis; phase two involved an online quantitative questionnaire survey, and phase three collected qualitative data through interviews and focus group discussions.

**Phase one:** In order to ensure anonymity of participants, in this phase I analyzed data that was provided to me. Data was collected from the University of Toronto, Division of University Advancement (DUA), Arbor database by the Director of Business Intelligence and Analytics, DUA.

**Phase two: Questionnaire Survey.** In this phase I collected quantitative data through an on-line questionnaire (Appendix C.) I developed this on-line questionnaire based on the relevant
themes I identified in the literature and my own professional experience as a fundraiser. My research and professional experience informed the questionnaire content.

I did not undertake pilot testing of the questionnaire prior to the launch of my survey. Rather a rigorous review of survey questions was undertaken both by my supervisory committee as well as by senior staff in the Division of University Advancement (DUA). Survey instrumentation is used extensively by the DUA and thus these staff members have knowledge and experience with securing good response rates. The combination of the rigorous review by both the academic and professional colleagues accounted for any possible learnings in a pilot survey. Further, given the sample size for the University of Toronto, I did not wish to reduce the pool any further by removing a portion for testing purposes. In regard to using different post-secondary institutions as potential pilot cases, I believed the sample would not reflect the characteristics of the University of Toronto alumni pool or produce a large and diverse pool of actual participants in the several matching programs. The rationale for using this method was to reach a large group of donors to ascertain high-level responses to questions regarding matching funds and their relation to philanthropic support.

**Phase three: Interviews and Focus Group Discussions.** The purpose of the interviews and focus group discussions was to collect qualitative data that would provide deeper insights into the focus of this study and the answer the research questions asked. The Invitation to Participate (Appendix B) invited potential participants to participate in the online survey. At the end of the survey the invitation to participate in the interview and / or focus group discussion was included.

I conducted interviews with twenty-eight consenting participants and five focus groups of eighteen consenting participants. There were a total of forty-six individuals who participated in
either the interview or focus group sessions. The Interview and Focus Group discussion guide (Appendix E) was developed using the same questions and were asked in both contexts. The rationale for using this method was to secure information that was more detailed, and in greater context, than would be possible through the self-completed web-based survey.

**Data Analysis**

In the first phase I analyzed data from the University of Toronto, Division of University Advancement, Arbor database. From the data provided to me, I was able to determine types of matching programs; number of donors to these matching programs; gender of donors and age distribution at the time the gift was made. I further evaluated the number of unique donors as well as the types of donors – alumni, corporations, foundations etc. Given the largest number of donors were alumni and it was believed their level of engagement with the university would be greatest (and thus the chance their contact info was most accurate), I chose to use alumni as the segment of the donors to research. I determined the amount of alumni who could be contacted for the research study.

In the second phase, once the survey was closed, I secured the data from Survey Gizmo. I reviewed and analyzed the quantitative survey results. I determined participation rates and ascertained if I could identify themes/patterns based on the data collected. I undertook further analysis to determine if there were differences with respect to the gender of respondents.

In the third phase, the qualitative data were analyzed from the transcripts of the interview and focus group discussions that I conducted. I undertook transcript analysis to identify key words and themes.
Methodological Assumptions / Limitations

For this study, I used the on-line survey tool, Survey Gizmo, to access a large number of participants with hopes of securing patterns and a general sense of donors’ thoughts on the impact of matching funds on philanthropic decisions. Follow-on interviews were intended to ascertain further information regarding donors’ views on philanthropic decision making. Donors who gave in a specific timeframe (i.e., between 1995 and 2005) were chosen for the reasons previously articulated. While the rationale for this time period is sound, it may provide some limitations with respect to the capacity of donors to recall their motivations for giving. This may present a limitation to the findings. Another limitation may include the potential for my own biases, as I am a former fundraiser, despite my best efforts to be as objective as possible by reflecting carefully on my interpretation of the data. The inability to make comparisons over time without base line data (as indeed this type of study had not been done before at the University of Toronto or elsewhere) was not a limitation *per se*, although having a benchmark could have added to the richness of the study. Finally, the main limitation of this study is the non-generalizability of findings, given the sample size and corresponding representation of the population and the case study focus on only one institution, the University of Toronto, and only one array of government initiated matching programs. The UofT, however, was the only institution in the province that made extensive use of all the available matching programs in the specified time period, in which case some generalization within the province may be valid.

My previous experience in fundraising at the University of Toronto was both a strength and a limitation. It was a strength in that I understood the field well; it was a limitation in that it may have influenced the lens with which I approached the study. I consciously tried to minimize this potential bias by reflecting on the data and responses objectively as possible.
Ethical Issues / Considerations

In order to ensure the upmost respect of human participants in the survey and follow-on interview processes, I adhered strictly to the approved University of Toronto Ethics Review procedures. Survey participants were anonymous. A third party (U of T staff member) sent invitations (Appendix B) on my behalf to recruit participants who consented voluntarily to do so.

To be considered for participation in the interview component of the study, individuals needed to send a separate email to me with their preferred contact information. Participants were informed that throughout the entire process that they had the right to withdraw from the study and / or not answer any of the questions without penalty. They were informed that if they chose to withdraw, any information secured from them would be destroyed. With respect to consent to participate in the online survey, the first question of the survey inquired whether individuals wished to participate or not (Appendix C.) If they did not wish to participate, the questionnaire closed and they were not able to access the Survey Gizmo. Prior to the interview or focus group discussions, all participants were required to sign a consent form (Appendix D) signalling agreement to participate. No additional consents were required for this study.

All data were kept and accessible only to my thesis supervisor and me.

Chapter Summary

In this chapter, I described the study’s research design and methodology. The intent was to include sufficient information that would allow another researcher to replicate this study. Much attention was attributed to decisions made regarding the study’s participant selection.

The next chapter, chapter five, will present the results from the survey, interviews and focus group sessions.
Chapter Five: Findings

To understand better the impact of matching funds on philanthropy, I undertook two types of field research: a survey as well as subsequent interview and focus group sessions. The participants were alumni who donated to the University of Toronto to government funded matching programs between 1995 and 2005. This chapter features results from my field research.

Survey

The first type of field research was a self-completed web-based survey. The request for participation occurred by email. The survey was in the field from February 17, 2017 – April 28, 2017. Seven hundred and fifteen individuals completed surveys. Fifty-four percent of these individuals are male; forty-six percent are female. For a full summary of the survey results, see Appendix F. The full summary survey results occur as both the general percentage responses as well as the gendered percentage responses. The answers presented first are the general responses and then the gendered responses fully broken out by all categories queried. For examples – if the responses included a five point Likert Scale, then all five points / answers were articulated. Following this presentation, the two upper and lower points on the Likert Scale were grouped first generally and then gendered for ease of reading. Given the full results are presented in Appendix F, only a few of the survey responses will be highlighted.

Question # 1.

Question # 1 asked why do you give? General responses for agree or strongly agree from lowest percentage responses to highest percentage response includes: individuals associated with the cause – 46%; because you were asked – 56%; matching opportunity – 62%; compassion for
those in need – 82%; give back to the community - 87%; and personally believe in the cause – 97%. The gendered response of agree or strongly agree to this question was very similar apart from the reaction to two of the statements. 82% of general responses agreed or strongly agreed with compassion for those in need as a reason to give. However, when viewed from a gendered response, 78% of males and 84% of females agreed or strongly agreed with compassion for those in need. An even greater percentage difference in response occurred with the response the matching opportunity option. 62% of general responses agreed or strongly agreed with matching opportunities as a reason to give. Yet when viewed from a gendered perspective, 57% of males and 67% of females agreed or strongly agreed with matching opportunities as a reason to give.

**Question # 2.**

Question # 2 examined *what factors go into your philanthropic decisions?* General responses for agree or strongly agree from lowest percentage responses to highest percentage response includes: connection with people within the organization – 50%; belief in the leadership of organization – 60%; opportunities for matching – 60%; belief in the organization – 97%; belief in the cause – 98%. The gendered response of agree or strongly agree to *what factors go into your philanthropic decisions* was very similar apart from the reaction to one of the statements. Opportunities for matching as a factor into philanthropic decisions was selected by 57% of males and 64% of females.

**Question # 3.**

Question # 3 queried *when undertaking the decision to make your gift, how important was the availability of matching funds?* General responses were roughly in thirds although a higher percentage weighted toward it being less important. Regarding the importance of the availability of matching funds, 38% indicated not important or slightly important; 29% indicated
it was moderately important and 33% indicated it was important or very important. Again, there was a gendered difference in response. Although 38% indicated the availability of matching funds was not important or slightly important; 41% of males and 35% of females answered this way. While 29% specified the availability of matching funds was moderately important; 27% of males and 32% of females replied in this manner.

**Question #4.**

Question # 4 asked *if matching funds are available, do you want the opportunity to designate your gift to a specific initiative?* 63% answered yes; 17% answered no and 18% answered they did not know. There was no discernible difference with the gendered response.

**Question # 5.**

Question # 5 investigated *if you were to designate your gift, what type of initiative would you designate it toward?* General responses for probably or definitely, from lowest percentage responses to highest percentage response includes: capital projects – 21%; programming – 39%; area of greatest need – 67% and scholarship support – 69%. The gendered response of probably or definitely *if you were to designate your gift, what type of initiative would you designate it toward* was dissimilar for three of the four feedback options. While 21% responded they would designate their gifts to capital projects; 27% of males and 14% of females answered this way. 39% specified they would designate toward programming; 35% of males and 44% of females answered this way. Although 69% indicated they would designate to scholarship support; 65% of males and 73% of females answered in this manner.
Question # 6.

Question # 6 explored *how likely are you to leverage different sources of matching?* General responses for probably or definitely, from lowest percentage responses to highest percentage response includes: university funds – 40%; other donors – 45% and government funds – 53%. The gendered response of probably or definitely *how likely are you to leverage different sources of matching* was dissimilar for one of the three feedback options. While 53% replied they would leverage government funds as a source of matching; 57% of males and 47% of females provided this answer.

Question # 7.

Question # 7 inquired *would you give more money if you knew matching funds were available?* 32% answered yes; 39% answered no; and 28% answered they did not know. There was no discernible difference with the gendered response.

Question # 8.

Question # 8 asked *do you think it is a good use of the government’s money to encourage philanthropic giving by providing matching funds?* 72% answered yes; 10% answered no; and 17% answered they did not know. There was no discernible difference with the gendered response apart from the 17% who answered they did not know. 14% of male and 20% of females indicated they did not know if it is a good use of the government’s money to encourage philanthropic giving by providing matching funds.
Question # 9.

Question # 9 inquired *would you encourage other donors to leverage matching programs?* 30% replied not at all likely / slightly likely; 23% suggested it was moderately likely; and 47% indicated that it was quite likely or extremely likely. There was no discernible difference with the gendered response.

Interview / Focus Group Sessions

The second type of field research featured interviews and focus group sessions. All individuals self-identified potential for participation in interviews and / or focus group sessions following the completion of the online survey. Interviews and focus group sessions happened between May 23, 2017 and June 8, 2017. Respondents are identified by anonymized codes. See Appendix G for details related to when their information was secured, meaning when their interview or focus group session transpired. Their words are directly quoted. The only exception occurs when specific details shared may help identify the individual. If this was the case, the detail was generalized to be able to use their commentary. I will outline the question and the follow-on answers highlighting themes and observations from the interview and focus group sessions.

Question # 1.

Question # 1 asked *to what extent do you believe that philanthropic support is necessary? What is your view of the role or importance of philanthropy relative to government support?* Even though this question was the first of the interview and focus group questions, almost all the participants engaged directly and deeply with this question. While I did not provide a warm-up question, so to speak, I was pleased that participants immersed themselves with the task. I was delighted with such fulsome engagement so early in this part of the process. There were several
themes and observations common to all the respondents. These included the: importance of philanthropy; role of government; individual responsibility; concept of choice; and sending signals. I will share the results for each of these topics.

Importance of Philanthropy

Given the way the first question was posed, it is not surprising that respondents focused on the significance of philanthropy. What was surprising was how the participants interpreted the question and what resulted in some of their immediate responses. While a numerical value was not requested, a total of eight of the forty-six participants, or seventeen percent, provided a response such as “100 %”, “10/10” or “20 % of total giving.” It is unclear what the respondent meant. What was the percentage of? A clarifying question was not asked. Of the eight individuals who provided numerical responses, five of the eight, or sixty-three percent were female. While some respondents’ instant answer was a number, others used a key word in their immediate reflection. Four key words were used: “absolutely, critical, crucial and vital.” Nineteen out of the forty-six participants, or forty-one percent, used one of these four words. The remaining respondents either used a different word or phrase to describe their views on philanthropy although they typically had similar meaning.

A few shared stories to illustrate their viewpoints. Two of the respondents, or four percent, were not as convinced or still deciding the role of philanthropy. In response to the query, to what extent do you believe that philanthropic support is necessary, these two replied, “I suppose fairly” and “well I guess it is.” Both individuals were male. Gratifyingly for me, the field researcher, respondents had decisive opinions regarding the thoughts on philanthropy. There was little hesitation in their responses. That said – some responded quickly, still others paused prior to responding. They were conscious of and systematic with their giving, for
example, JVM02 shared, “there are three components to my giving, I: (i) can afford to give back; (ii) want to give back; (iii) want to help other alumni.” One of the respondents took issue with the way in which the question was posed, believing that I had suggested they were a philanthropist. JVF 33 indicated, “we are not philanthropists. Philanthropists are those people who give lots of money. I just give smaller amounts. But every little bit counts.”

In addition to the interpretation of the question, other results focused directly on the role of philanthropy. One respondent, JVF 45, lamented, “there are so many needs, unfortunately there are inadequate government and personal resources to meet these needs.” Similarly, JVF 46 remarked, “organizations are just strapped. Philanthropy is necessary.” A few others focused on the transformative nature of philanthropy. Such as JVF 26 observation, “society relies on philanthropy for aspirations and everyday operations.” Some had greater specificity about the reframing power of philanthropy. JVF 03 shared, “arts and medicine would not survive or indeed thrive without philanthropy.” Yet another respondent, JVF 29, stated, “no charity would exist without philanthropy.”

Some of the respondents also discussed the role of philanthropy and its relationship to the individual. “Philanthropy helps people make decisions. Donors make choices because of what they believe in. They follow through with support for what they are specifically interested in.” (JVF 32.) Yet another participant focused on the role of philanthropy, the individual and how it contributes to a sense of belonging. JVM 04 shared

philanthropy fills the gap with monetary support. Donors are stepping up and giving as a member of a community. It is part of the cycle. It is a way to be engaged with the community. Philanthropy invites many members of many communities to participate.
Finally, JVF 31 highlighted the role of philanthropy, the individual and personal concern when they observed, “philanthropy is typically targeted toward an interest area. Wishes of the philanthropists. It is not required to cover basic necessities.”

**Role of Government**

Within the overarching theme of the role of the government, respondents had differing viewpoints as to what role the government should and should not have concerning philanthropy. Many expressed the view that the government cannot be responsible for funding all initiatives. There are simply too many appeals for government resources to satisfy demand. Indeed, JVF 20 said, “you can’t expect the government to fund everything over and above what the government already does.” JVF 28 and JVM 23 shared, “government can’t give to (support) everything.”

Further, JVM 05 stated, “you can’t count on the government to foot the bill. They are running large deficits. There is a real crunch on their demands. They can’t do everything.” Others took the view that government support related to philanthropic organizations is subject to favouritism and thus not necessarily effective, at least not with all not-for-profit organizations. JVM 07 noted, “different political parties take a different approach as to how they dole out money. It is difficult to keep everyone happy.” Put slightly differently, JVF 24 observed, “the government directly supports those initiatives they find important.” Another response outlined a specific consequence as JVM 22 observed, “government support has a biased perspective. For post-secondary institutions, the government only supports what they believe is employable disciplines.” Similarly, JVF 06 stated, “I don’t want the government to determine what the university does.”

Some of the respondents expressed disappointment regarding their view that government could and should do more with respect to philanthropic organizations. JVF 17 indicated that
they “would like government to do more.” Another observed, “the government is not as generous as I’d like them to be.” (JVF 09.) Still another was more directive in terms of what role the government should play. JVF 27 stated, “if the government could make it so individuals did not have to live in poverty, that there was a guaranteed minimum income, it would be better for all.”

Other respondents took a different approach by differentiating the roles of government versus philanthropy. JVF 32 observed,

I don’t think government should do it all. The government has a myriad of interests they need to be responsible for, not all of which may be of interest to me. Donors can focus on areas that are most important to them.

JVF 45 further articulated this point by sharing, “government should provide essential services. As resources don’t meet need and demand, then we need to turn to philanthropy to make it a better society.” JVF 33 remarked, “much of the government support is dropping so that we all need to contribute what we can.” Taking this even further, JVF 25 declared, “it is not the primary responsibility of the government to support charities.” Highlighting one of the many roles of government, JVM 43 observed, “government has social responsibilities. Government funding of initiatives should have universal benefit.” Finally, both government and individuals were flagged as crucial partners. One of the respondents flagged the tension of the view of the others role or lack thereof. JVF 34 suggested, “both individual donors and the government both believe each other should be doing more.” Others focused on the need for shared responsibility. JVF 26 shared, “government and individuals are both necessary with respect to philanthropy.” JVM 02 said, “the sentiment is, if government pays, we don’t need to. There is room for both – government and donors – both should contribute.” JVF 12 stated, “government should have some skin in the game.” JVM 42 shared,
philanthropy also allows support of initiatives that the government also supports. This could supplement initiatives. Higher education is like this. While the government supports higher education, resources are limited. Individuals to the extent they are feeling good about it, can tribute.

Lastly, JVM 38 stated,

you need both government support and individual donors. There is a case to be made for the two to work together. Both are needed to compensate for ideological constraints. The hope is that their contributions are not a zero-sum game.

The last broad observation regarding the role of government and philanthropy as described by the participants was focused on what the government should be doing to facilitate philanthropic activity. Both JVF 24 and JVF 19, respectively, observed, “government should do more to encourage philanthropic support” and “government need to encourage greater philanthropy.” Outlining the consequence of not undertaking this encouragement was suggested by JVF 26, “there is lots of work to be done to encourage giving. Not enough people are giving.” Some of the respondents focused on the governments’ role and taxes. “The tax base is never going to be enough to fund everything everyone wants” shared JVF 24. Still others were a bit more emphatic regarding the role the government could play, JVM 04 declared, “we should have a system of credit, meaning better tax credits. People would give more if there were better tax credits.” JVF 24 believes the “government indirectly encourage philanthropy through the tax system.” Finally, JVM 41 effectively summarizes the themes identified by several respondents, namely roles of government and philanthropy and connection to taxes by stating,

government does essential things such as ensuring minimum wage, basic needs are met. Philanthropy is more than that – such as food banks or those items will less permanency. Philanthropy funds museums and art galleries. You don’t pay taxes to build a bigger museum. You pay taxes for basic services.
Individual Responsibility

A number of the respondents explored the role of the individual and their responsibility with respect to philanthropy. JVM 14 emphatically stated, “people ought to give.” Two respondents took this a step further by tying this to a greater moral responsibility. JVM 10 declared, “to whom much is given, much is expected.” JVF 28 remarked, “regarding philanthropy, those who can give, should.” Still others explored the concept of self-accountability. JVF 03 and JVF 11 respectively shared “participating in philanthropy is an essential part of our being” and “we need to improve the world in any way we can.” In addition to self-accountability, obligation was a concept that was also discussed. JVF 16 reflected, philanthropic giving is part of being a decent human being. If we are not here to help each other, then why are we here? I have been advised to give until it feels good. Not to give until it hurts.

JVF 26 made a similar observation, “people who have means to contribute back should be doing so as they reap the benefits of society. It is our duty to give as it is a privilege to live here.”

Individual responsibility and its relation to philanthropy was also referenced with respect to influence and objectivity. JVM 40 noted, “you have to support causes you believe in. You need to support them. Initiatives and programs are always being cut. Individuals have an important role to compensate for short-falls, fill in gaps. Individual people can make an important difference.” Finally, JVM 04 shared, “personal philanthropy is more consistent and is not impacted by the moment.”

Choice

Some of the participants explored the concept of choice with respect to its relation to philanthropy. JVM 23 observed, “philanthropy allows one to be able to focus where you think support should be provided.” The concept of choice was also presented to make an impact
whereby JVF 11 shared, “philanthropy can direct change.” JVM 42 underscored this, “philanthropy is a path whereby individuals have an input that is important to them.” A couple of participants suggested the choices that should be made. JVF 19 and JVM 07 respectively observed, “support should go to hospitals, schools and libraries because they serve everyone” and “cultural initiatives are important, but it is less urgent than responding to the needs of starving children.” Yet another respondent, JVF 45, discussed the role of choice for individuals versus the government. They said, “the government priority is not always mine. I can designate my giving. There is a dilemma or rationing. My philanthropic choices make a difference to others – and to me.” Further, JVF 36 remarked, “if we did away with charities and had only government support, and the government selected, they may not select what we want. We need to be able to choose what is important to us.” JVM 42 shared, 

philanthropy allows you to do something totally apart from the government. You may wish to support an initiative whereby all kids in grade three get yellow sneakers. This is not likely to be a government priority, but it might be important to you.

The role of choice, the decision makers and potential consequences were also discussed by several of the respondents. JVM 04 shared, “the government more broadly shouldn’t determine what or who gets support.” JVM 39 observed, 

government support is clearly a public good. If taxes are going to be raised, services should be for everyone, such as roads, sewers etc. Support for the symphony is not the same. Support of the symphony is a donor’s preference, such as, they like music.

JVM 35 also reflected on the role of choice, government and taxes, 

government should support not for profits. However, if they are simply going to raise my taxes in order to do so, I’d rather give directly myself. I want to choose where I give versus the government raising my taxes to make the choice for me.

JVM 21 discussed choice in some detail, 

who in the government decides where that money goes? What is a good investment? Certainly, it is from the organizations perspective, but what about the rest of the community? The government built a monument to anti-communism. Who thought of
that? Why didn’t the money go into a hospital? Hospitals can serve everyone. The monument recognized a narrow group. What about other narrow groups? Do we need to support them?

**Sending Signals**

Within the broad-based theme of sending signals as a response to the first question, *to what extent do you believe that philanthropic support is necessary? What is your view of the role or importance of philanthropy relative to government support?* respondents who referenced this theme typically did so in one of three categories. These categories featured signalling with respect to: gratitude, example setting and importance of an organization. The ability to recognize a positive occurrence was remarked upon by some of the respondents. JVF 20 shared, “hospitals save your life. You need to give money as the crises ended, as a way of thanks. Further, refugees who made good, it is necessary for them to give back.” Another respondent, JVM 10, underscored this, “I had a family member with health issues. I give to the hospital that saved their life.” Further, JVF 30 noted, “I like to give back to the universities I attended and worked at. I found this be a way of saying thank you.” Engagement in philanthropy as a way of saying thank you for an opportunity was highlighted by JVF 33, “I was a recipient of a scholarship that someone donated. I benefitted enormously because of that. I need to give because someone gave so I could benefit.”

The opportunity to serve as an exemplar was reflected upon by some of the respondents. JVF 11 noted, “I didn’t have a scholarship. I wanted to pay it forward.” JVF 28 underscored, “it is critically important to pay it forward to set a good example or role model for youth.” It is believed the respondent meant that they wished to do a good deed for someone else even though they did not have access to a scholarship themselves. This might infer that someone previously had not done a similar good deed for the respondent.
Finally, the concept of signalling the importance of an organization or initiative was featured among some of the responses. JVF 36 observed, “if you think the work the charity is doing is useful and you want them to continue, then you should financially support the organization.” An indication to the government of the relative importance of an organization was also noted by JVF 36 who noted, “we are also telling the government as well what we think is important by where we donate our funds. This sends a strong message to them.” Further, JVM 42 shares, “it is important for legislative purposes. It can keep the government focused. An example of this is an environmental club. They can help stay on top of issues for a better outcome for society.” JVF 08 observes, “there is a political aspect to announce support of X project.” Another respondent, JVF 06, indicates that this is particularly valuable if an organization is not on a priority list, “it helps an organization that might not be popular.”

In addition to these themes and observations, there were categories of responses that were unanticipated. I have grouped these responses in the following manner: role of philanthropy in Canada versus internationally; visceral reactions; distrust of philanthropic organizations and frustrations. While my question did not reference giving within or outside of Canada, rather philanthropy in general and more specifically government interaction, five different respondents referenced giving trends outside of Canada. Three of the five shared their observations regarding giving in the United States. JVM 04 stated, “giving rates are better in the United States.” Perhaps as a consequence to this statement, JVF 12 noted, “the U.S. model has huge endowments.” JVM 02 shared,

U.S. alumni really support their schools. They are very willing to support as well as they have a booster perspective. They want to help other alumni in all ways. I observed the activity of my peers, and as a result, I was influenced to give.

Non-North-American countries also received a nod in a couple of the responses. JVF 11 observed, “European universities don’t have a history of philanthropy. They depend far more on
government support.” Finally, JVF 29 stated, “philanthropy has a greater presence in Canada than in Scandinavian countries.”

Some of the responses featured deeply held beliefs that were freely shared with me. I was pleased that participants felt comfortable enough with me to share these visceral, perhaps even emotional responses. The question must have struck a chord and likely important to have this perspective heard. For example, JVF 26 commented, “I really have trouble with individuals who are well off who don’t give back. This is very disappointing.” Taking a slightly broader perspective, JVF 27 remarked, “we live in a world whereby the circumstances are such that food banks should not be necessary. I am very disappointed this is the case that they are necessary.” Two other participants shared their concerns specifically related to fundraising, fundraising organizations and decision taken by them. JVF 29 stated, “it makes me angry the way charities misspend money. This is hard earned money that I worked hard to earn and then donated.”

Finally, JVF 30 shared,

I am disappointed that organizations fundraise to build a new building and then they put the name of a donor on a building. I recognize this attracts donations. But I always hoped that buildings would be named for the famous scholars who work in the buildings.

Finally, four respondents referenced either a distrust of organizations or frustration at the way in which they are treated by not for profit organizations. For example, JVM 07 stated, “some charities were found to be shady.” JVF 08 hoped for greater government intervention to counter disreputable not for profits, “there is a need to encourage the Canada Revenue Agency to actively audit charities.” JVM 14 shared,

lots of organizations are ripping people off. In the United States, there is someone to keep score, the Charity Navigator. This investigate the federal tax forms. These forms have info on everything from overhead to amounts raised etc. Navigator rates from one to five stars. I’ll only support an organization that has a four or five-star rating.

Frustration was cited by one the respondents, JVM 10,
I am not a bank. There is not enough money to go around. I am up to my neck with disease of the week requests. There are so many solicitations, you need to pick your charities. The list grows and grows. I kept getting asked multiple times. I need to narrow the request somewhat. This way my contributions will be more effective.

**Question #2.**

Question #2 queried *what are your expectations of the organizations in which you support?*  

*How can an organization best demonstrate to you the impact of your gift?*  

Similarly, to question # 1, I was delighted that respondents provided great detail with their remarks and observations.  

Answers regarding donor expectations of supported charities can be grouped into several themes.  

These are: interest alignment; the concept of trust; usage of funds; and overhead.  

Related to highlighting the impact of the gift, respondents’ answers could be categorized in the following manner: reporting mechanisms; frustrations; crowding in and crowding out.

**Interest Alignment**

Some of the participants emphasized what was described as interest alignment between the charitable organization and the potential donor. Thus, expectations of organizations supported was present in advance of the charitable relationship. According to the respondents, the proposed donor believes in the purpose of the charitable organization hence drawing them closer in the first instance. JVF 03 shared, “before one even gives, one needs to examine the groups you are giving to. The organization needs to do something I am interested in. It needs to appeal to my own sense of urgency in certain areas.” Another participant outlined that not all organizations will speak to all donors. It is up to the organization to find donors who are sympathetic to their cause. “The organization needs a clear mission. It needs to be aligned with my values. I am not onboard with the parrot rescue society. Some might be interested in this but that doesn’t appeal to me.” (JVF 17.) Yet another respondent, JVF 45, did not have a definitive answer sharing, “I have really mixed expectations. I give to causes that I believe in.” Finally,
two participants articulated the need to concentrate on familiar activity as JVF 19 and JVF 32 respectively observed, “stick to the mission because that is the reason I give” and “focus on their mission, vision and value. That is why I donated in the first place.”

**Trust**

The concept of trust was cited by quite a few of the respondents. Indeed, thirty percent specifically referenced the word trust or suggested they hoped the charitable organization was true to its mission. JVF 01 declared, “this is all about trust and we need to trust the organization will do what you need them to do.” Making a similar observation, JVF 19 indicated, “you cannot breach the trust of the donor.” JVF 09 tied this concept to behaviour, remarking, “It is simple. I trust the organization won’t behave in a way that is embarrassing.” Two of the participants tied the usage of funds to the concept of trust. JVF 25 and JVM 38 respectively observed. “I trust they are using the money in the appropriate fashion.” “Spend the money for what it is intended for. There is a fiduciary trust between the recipient organization and the donor.”

A slightly different representation of the concept of trust was presented by a few of the participants. Their focus was on initial exploration of organizations, making a choice to engage and then having confidence in the commitment. Trust was inherent with the ongoing relationship. JVF 03 noted, “it is a matter of doing one’s homework. I personally don’t take the time to investigate all this. Organizations should have a good reputation. I know this because of word of mouth. I trust the individual who provided this guarantee.” JVF 08 also shared this sentiment, “I do lots of research upfront. Once the research is done and I have chosen the charity to support, I assumed responsibility going forward. I trust the outcomes. My due diligence is done at the outset, not as a follow-on.” JVF 36 remarked, “the organization needs to do a good
job in what they are doing. I need to trust them. I don’t really track the impact. I am too busy to do that.” Finally, another respondent, JVF 11, placed trust in third-party validation. “Credibility and long-standing history of using donations effectively. In order to maintain its charitable status, they need to submit a report and they could be audited. I trust this process.”

The word hope also featured prominently under the concept of trust. JVF 33 shared, “I hope they will do the best possible with the money donated.” Similarly, JVM 07 reiterated, “I am good to give money. Hope it goes where it is supposed to go.” JVM 40 indicated, “I hope the money donated is put to good use. Every once in awhile I want to be informed and provided reassurance that the money I donated is being spent wisely.” Two respondents expressed some doubt as to whether or not the charity does fulfill its mission. The first, JVF 46 shared, “I hope the charities do what they are supposed to do. Sometimes I am skeptical that they are not fulfilling their mission or using the funds I donated wisely.” The second, JVM 13 commented, “I hope the money goes to activities they talk about and I expect them to perform well. Other than self-reporting, I have no idea how to check this.” Yet another participant, JVM 02, referred to their role and the recipient organization. “I don’t feel by donating that I have a say. I don’t get that involved. I hope the organizations are doing good things.” Lastly, JVF 29 shared, “I need to believe they are making a difference and using my money effectively.”

Use of Funds

The use of funds is another key theme identified by participants in response to the query of expectations of charities donors support. There were two key thrusts to the usage of funds frame: (i) designation of gifts and (ii) proper use of funds donated. There were several respondents who discussed the need to specifically identify how donations were used. JVF 01 remarked, “I want to specify where the fund is going. I want to have the option to say where the
funds need to go.” Similarly, JVM 22 said, “I want to designate my gifts. I want to direct the funding.” JVF 37 and JVM 14 while not as adamant expressed similar aspirations respectively. “If possible, I prefer that money I donated can be used for specific purposes versus generic funds.” “The ask and subsequent gift, needs to have a specific designation.” Finally, one of the participants shared an experience from a workplace fundraising initiative related to designation of charitable organization and by extension giving. JVF 29 shared, “I want to choose the charities I support, not told to give to X charity. I don’t agree with X charities tactics. I’ve been hauled into a deputy minister’s office and told to give to X charity.”

Reflections related to the proper use of funds donated occurred frequently in response to the query related to expectations. Some of the answers were presented as mission driven. Such as JVF 24 and JVF 25 respectively. “Do good work, be honest, use money for the purpose it was intended.” “Use money for the purpose it was donated.” JVM 16 stated, “deliver on their mission. Even though I give modest donations, I want the organization to stand for their values. That’s why I give to them.” While expressing the same purpose focused thoughts, others layered in quality aspects. JVF 27 shared, “I want to see the funds used for which it was donated. I want them to be effective at whatever they say they are going to do.” JVM 23 referenced, “demonstrate consistency with mission or mandate. In addition, the organization needs to ensure quality.”

Several of the participants focused on the relationship or stewardship of the proper use of funds donated. JVF 32 shared, “do what they said they would do. Steward relationships and the money donated carefully. Be responsible and accountable.” Along the same vein, JVM 21 noted, “be good stewards of the money. Use the money for the purposes stated. Don’t spend on marketing or advertising.” Lastly, JVF 26 pronounced, “I want them to value the contribution,
don’t squander it. Don’t abuse the money or the relationship. This means don’t use the contributions for something I didn’t intend.”

Alternatively, some of the respondents acknowledged a less favourable framing of the usage of funds. JVF 01 stated, “don’t mishandle funds.” JVF 12 said, “I want to know the funds are not in a general slush fund.” Lastly, JVM 04 noted, “I want to know that the money has not gone into a black hole.”

**Overhead**

Reactions to the query regarding expectations of charities also featured discussions pertaining to ongoing operational functions of organizations. Typically described by participants as overhead, definitive opinions were held on the relationship between administrative costs and donation support. JVF 01 shared, “I don’t just want to support administrative functions.” JVF 37 and JVM 02 held related views respectively. “I want the bulk of my money to go to actual initiatives versus administrative overhead.” “Funds are provided for program support and not administrative support.” Lastly, JVF 44 commented, “I don’t like when there is a high amount of funds to administration and a low percentage to the charity purpose.”

Thirteen percent of the respondents cited questions regarding the prominence of overhead. JVF 09 inquired, “what is the percent [of the donation] that went to overhead, within reason, for necessary costs?” A few of the participants specifically referenced beneficiaries in relation of overhead. JVF 03 asked, “what is the return on investment regarding administrative overhead? How much money is given to recipients?” Analogously JVF 24 and JVF 34 respectively pondered, “what is the percentage [of the donation] that goes towards helping people versus percentage of costs of overhead? And is the money being used for administrative costs or the recipients of the service?” Congruently a couple of participants focused on the
organization versus the overhead, such as JVF 31 who stated, “I want to know that funds will be wisely used. I want to know the percent that goes to the charity versus administrative support.” JVM 22 also queried, “I want to understand the costs associated with the gift. What is the return on investment? How much went to need and how much to administrative overhead?”

While still focused on organizational operational issues, other participants concentrated on the staff dimension. Eleven percent of responses took a neutral or positive stance related to overhead costs. JVF 17 shared, “I don’t worry excessively about staff salaries or administrative costs. It is the work of the staff that drives the organization forward and gets stuff done.” JVF 27 commented, “I don’t want to see huge administrative costs. Although I’m flexible as costs are needed to run organizations.” Comparably, JVF 25 stated, “I realize that people have to run the charity and they have to get paid. No less than ninety percent, however, should go to the cause you are supporting.” Two of these five responses focused more directly on evidence based or metrics associated with personnel and overhead. JVM 18 remarked,

> the question of administrative overhead costs is important. However, I would not try to advocate bringing them down. Sometimes it is very tricky to organize or run an organization. Large salaries are not evidence of a misdemeanour. Need to do some more digging regarding the impact the organization is making.

Much along the same viewpoint, JVM 38 observed,

> don’t spend too much on administration, although, I am now somewhat relaxed on this. Someone has to pay for the running of the organization. You need some money for administrative overhead. There needs to be balance. One metric is not the best way to think about this; particularly if the organization accomplishes the objectives they set out to do.

A somewhat different take on overhead and staffing concerns, two of the participants were more negative in their framing. JVF 46 stated, “some organizations have too much marketing material. I am curious about an organization’s annual statement. I am appalled to learn about the percentage of funds going to salaries and administrative costs etc.” JVM 41
queried, “I want to know how much goes to the end user versus to a bloated administration.” In this context, the respondent was referring to administrative structures of charitable organizations.

**Demonstrate Impact**

Question # 2 had a follow-up question *how can an organization best demonstrate to you the impact of your gift?* Answers to the first and second parts of question number two were similarly robust. Replies related to highlighting the impact of the gift are categorized in the following manner: reporting mechanisms for accountability; frustrations; crowding in and crowding out.

**Reporting Mechanisms for Accountability**

The majority of respondents had clear opinions about how organizations can best demonstrate the impact of giving by donors. Answers to this secondary component, broadly grouped under reporting mechanisms, were the most detailed and provided the greatest number of examples. For ease of review, once again, responses were categorized as: overarching comments, awareness, updates, tangible entities. Some of the participants focused on overarching or broad-based comments. JVF 08 shared, “impact is demonstrated differently depending on the charity.” JVM 13 commented, “when you know you are making a positive contribution, you feel good.” JVM 39 said, “make a contribution to broader society.” JVM 23 indicated, “my preference is that there is direct interaction with donors. Indirect with presence in the community and reporting to the media.” JVM 13 noted, “it is helpful to come up with a narrative for donations large and small. Be specific, if it wasn’t for your donations, this could not happen.” JVF 37 remarked, “recognition is what donors need. You want them to feel or understand what you did with their money.” JVF 32 suggested, “organizations need to (i) follow through; (ii) tell the donor; (iii) rather not hear about Mary B or Jane W unless it is the right info
and / or they are the actual recipients. I don’t want them to fake it. I want them to be genuinely honest about what they are doing.” JVM 18 insisted, “I want professionalism of those running the organization.” JVM 04 shared, “I expect three things: (i) acknowledge my gift; (ii) inform me of its impact; (iii) align giving with the mission of the organization. It is as simple as that. I want to receive a thank you.” Lastly, JVM 42 indicated, “the organization serves itself well to report back to donors.” Tangentially two respondents indicated the size of their donations did not warrant reporting on their significance. JV 34 shared, “none of my gifts have been a sufficient size to have had impact. My giving is steady and repeated as I believe that has greater importance.” Similarly, JVM 42 said, “you can only expect so much as a small contributor. Big philanthropists can expect more.”

**General Knowledge**

A number of the respondents cited general knowledge, awareness or appreciation of the specific requests of donors regarding recognition activities. JV 28 acknowledged,

> it is hard to satisfy different perspectives. I don’t want to be invited to events. I find it intrusive and I am busy. If a charity is phoning me, they should be doing something else rather than calling to thank me. Paid staff time should be spent differently.

JV 19 indicated, “I expect to be thanked. I am always conscious of what a donor expects. Do you take the donors out for lunch or leave them alone? The charity should know donors well enough to know how to thank them.” JV 32 was a bit more directive,

> don’t send paper. I only want to receive email. The tax receipt should come by email. There are two reasons for this: (i) I don’t want mail and (ii) I want the organization to pay attention to my request and provide a quick turn-around.

JV 19 shared, “if they didn’t know I gave, I am annoyed. I don’t want to be called by one entity of the organization when the other doesn’t know I gave.” Finally, JV 29 was the most
pointed, articulating consequences of less than stellar performance, “don’t take me for granted, don’t be lackadaisical. If so, you’ll lose out on funding.”

**Updates**

Most of the respondents articulated a need for the organization to demonstrate impact of gifts from donors through regular updates referenced in written form – typically newsletters or letters. JVF 11 shared, “I like to receive lots of letters re the direct impact of my giving.” JVF 19 noted, “I like to receive testimonials from individuals who are helped. I want to put a human face on the issue.” JVF 17 commented, “I see impact through things I see in the newsletter. Data is nice. I don’t really like stories or narrative. Of course, newsletters cost money but they are important to build support.” JVF 26 indicated,

I want to see value for the contribution. I want to see the contribution really have impact – even if I have donated a small amount. Provide updates. This can be a collective response, such as similar gifts, in part, provided x, y or z. Most important you receive a sincere and genuine thank you.

Similarly, JVF 34 remarked, “some organizations include language such as we couldn’t do x,y,z without you. They are more explicit. They say without you we couldn’t function. I like that.” JVF 08 suggested, “provide quarterly newsletters updating activity. They can also outline how much more needs to be done.” JVM 42 indicated, “a strong statement would be this was the impact of your contribution – a one pager on this would be great.” Alternatively, JVM 43 in response to the query how an organization best can demonstrate impact of philanthropic gifts, shared, “none.” But then went on to say, “I believe they should continue their mandate or mission. I know this through communication they share with me.”

Six respondents touched on ineffectual or more negative comments related to updates from charitable organizations. JVF 34 noted, “I usually receive a very flowery letter thanking me for my continued support – that washes right past me.” JVM 23 complained, “some
reporting back is irritatingly persistent coupled with more requests for money.” JVM 18 lamented,

it is easy enough to say we gave x student a scholarship. Why can’t we statistically follow up on students? What are the subsequent paths they take? I would like information on the people that were impacted by my giving.

JVF 01 shared,

organizations should provide reports and updates. It is the organizations responsibility to give you an update. I wanted an update on a listing of who took part in a program named for me. I kept hounding the staff member. I finally got a report and there were errors in it.

JVM 40 made an interesting observation, “I get so many mailings. Sometimes I think the money I give is simply spent on mailings to me.” Finally, JVF 19 shared, “one organization bothered me so much, and that after repeated requests to stop contacting them, I had to threaten I was going to sue for harassment.”

**Tangible Activities / Issues**

Under the broad category of tangible activities or issues, several of the respondents referred to specific occurrences where demonstration happened both positively and negatively. Examples include references to organizational goals, events, naming opportunities, management fees, matching opportunities, tax receipting, and volunteerism. JVM 14 shared, “presence should be known in little ways. I want to see a tangible outcome.” Two respondents referred to organizational goals and their measurement as a way of demonstrating impact. JVM 41 shared, “they should spend money wisely and prudently. Do what they do, focus on their mandate. Updates should especially be tied into the goals of the organization.” JVM 42 indicated, “second or subsequent rounds of funding or donations should be tied to activity. Funding should be received after you have met your goals to ensure organizational discipline.”
Participation in, or access to, events was cited by a few of the participants as effective means of demonstrating donor impact. JVF 12 shared, “I went to a talk, an educational component. I found this stimulating and interesting – not a difficult thing for the organization. This is not a huge cost to them.” JVF 28 indicated, “I want to go to research symposia that show breakthroughs.” JVF 30 noted, “contributing to cultures organizations is a privilege. There are benefits such as early ticket purchase, free parking etc. The greatest privilege is seeing the performance come off the page and onto the stage.” Similarly, JVM 35 remarked, “expectations of the organization are that they are up to date technically and socially. Thus, they are able to deliver on results. I want to know we are up to date and are making advances in research.”

Three respondents noted a lack of interest in naming opportunities as a means to demonstrate impact of giving. JVF 12 shared,

there needs to be a balance between donor recognition and anonymity. I am not jazzed about naming opportunities. I only hear from charities why they are making a request for funds. Don’t spend a lot of money but I’d like a note back or an annual report to know how the funds are spent. This keeps you in the loop and ensures the organization is accountable.

JVF 31 indicated, “there is less reward in finding my name on a donor list. I prefer heart warming stories of students who graduate because I gave.” Finally, JVM 05 remarked, “I don’t care about recognition. I want to be anonymous with my giving.”

Four respondents provided examples not provided by any other respondent. These examples were: management fees, matching opportunities, tax receipting and volunteerism.

Regarding management fees. JVM 10 shared,

keep management fees low. If it is a business, it should be run like a business. Donors should be given detailed reports where the money goes, what students get the funds. And you should receive a thank you from a student. My fund is not assessed a fee. Not a dollar comes out of my donation, I like that.
JVF 31 discussed provision of matching funds from the government. They shared, “I always make sure I get matching funds. The Harris government started this matching program. The McGuinty government stopped it, then reinstated it.” JVM 02 spoke about tax receipts, I expect an organization to issue tax receipts. One organization I gave to never issued a tax receipt. If you can’t do this one administrative thing, how can you effectively use the money donated? I fired that organization that I gave to.

Finally, JVF 27 referenced their relationship with volunteering, “some organizations I volunteer for and so I know first hand what they are doing.”

Frustrations

Other responses regarding the best manner in which to demonstrate impact of giving to a donor featured four topics under the broad rubric of frustrations. These frustrations were referenced in regards to: tokens; organizational activity as a reflection of stewardship; mailing lists and outsourcing. Participants expressed disappointment or dissatisfaction with charities that engaged in these activities. While only nine percent of participants referenced the provision of tokens in their responses, the intensity in which they shared their frustration is certainly worth noting. JVF 20 shared, “getting a pen or a gizmo as thanks from the charity really bugs me. Is it necessary? Is that a good use of funds?” Comparably, JVM 07 indicated, “I don’t like when I receive stuff. I get a ton of greeting cards, pads, stickers, address labels. I wonder how much are they spending on all this stuff? This is not investment spending.” Still two other respondents focused on somewhat adverse tactics of charitable organizations. JVF 08 lamented, “tokens (cards, pens, gifts) from charities, I see all these as guilt gifts. The charity has sent you something, now you need to give something back. I do not like that.” Finally, JVF 37 remarked, “it is a huge bugbear of mine when there is an attempt to lure donors with wasteful or useless
tchotchkes – cheap pens, mailing labels, etc. I prefer the money is spent for which it was intended.”

**Organizational Activity as Stewardship**

Fifteen percent of the respondents cited other organizational activity, even core business processes, quite apart from the activity impacted by philanthropy as signals to donors regarding the stewardship of their gifts. More generally, JVM 02 indicated, “if a charity was caught up in a scandal, I dropped them. Don’t have a scandal or misappropriation of funds story.” Specifically related to the University of Toronto, JVF 15 shared, “I am very disappointed with the university’s move to increase tuition fees. This is terribly elitist component with professional schools. I am tremendously discouraged by this.” Further, JVM 05 noted,

> I am annoyed at the University of Toronto for a stewardship issue. A junior faculty member who was not promoted and then U of T gave him a huge severance package. This was far from satisfying. I cut my donation in half. I sent a letter to then President Naylor. I want to give to the area of greatest need. Don’t fly my money out the window.

More broadly related to the university, FVF 44 contributed, “I want to ensure that standards are maintained including admission and graduation. The standards cannot be compromised. I don’t want my degree to mean less.”

The remaining three respondents citing other organizational activity focused on examples from a couple of charities, the Wounded Warriors and The Red Cross. JVM 42 remarked,

> one organization that has failed miserably is the Wounded Warriors. This was an organization to support veterans from the Afghani and Iraqi wars. Phenomenal money was going to the administration. There was elaborate events and exorbitant salaries. They were not fulfilling their mission. They were doing a terrible job.

Two comments highlighted the work of The Red Cross and perceptions of donors. JVF 01 and JVF 03 respectively shared, “I don’t just want to support administrative functions. Do not
mishandle funds. I believe The Red Cross did so years ago.” As well as “The Red Cross had sixty percent of funding going to administrative costs – they needed to clean up its act.”

Mailing lists was another example of an irritant expressed by donors in response to the query regarding demonstration of impact for their philanthropic activity. Three participants referenced mailing lists in their answers. JVM 07 indicated, “nobody likes their address sold because they did something good.” JVF 26 stated, “do not sell my name to a list.” JVF 08 was a bit more sympathetic, but frustrated nonetheless with this remark, “I understand why charities need to sell mailing lists. However, to get unsolicited request for donations, I find irritating, particularly from organizations you have not supported in the past.”

Several participants also raised outsourcing of fundraising activity as an irritant. Four respondents shared their thoughts. JVF 12 said, “there should be specific people (staff) to raise funds. Outsourcing fundraising is not great.” JVM 02 and JVM 21 shared similar comments when they said, respectively, “don’t subcontract services, i.e., fundraising” and “don’t use a telemarketing firm to fundraise for you.” JVF 20 also flagged a newer phenomenon of fundraising activity on the street as an annoyance, “if an organization is fundraising, I don’t want to be accosted on the street. I don’t want them in my personal space – particularly if I am already donating to the organization.”

Three of the participants also flagged in house staffing examples. Two respondents were more positive in regards to multiplicity of staff contacts with an organization. JVM 04 shared, “I appreciate the diversity of askers (fundraisers) from a large community. It is all about what community you can affiliate with, and I affiliate with multiple communities.” JVF 06 indicated, “I like dealing with multiple fundraisers and advancement offices. I like that each area has their own advancement representative.” Alternatively, one of the respondents, JVM 05 did not want
to have multiple connection points noting, “why does the university have more than one contact [fundraiser?] I only want one person I engage with. I want to give to the University, if I wanted to give to the Faculty, I would.”

Another response to the query how does an organization best demonstrate to the donor the impact made was difficult to categorize, yet important to share. JVM 21 shared, “it solves my guilty conscious to give. I wonder what wrong a big donor did to ease their guilty conscious?”

**Matching as Crowding In and Crowding Out**

Crowding in and crowding out of donations were concepts referenced although not specifically named by six of the participants. Four of the respondents suggested crowding in – the idea there is increased interest on account of an action. JVF 20 remarked, “I often donate indirectly. I give because of someone who is involved with the charity. It is easier for me versus volunteering.” JVF 31 indicated, “since my retirement, I have been more judicious with my giving. I am giving because of a personal connection.” JVM 39 also shared, “I give because I know what they are doing. I know the people involved. I know the staff and volunteers – I understand the money is being well spent.” Finally, the concept of crowding in was discussed in relation to taxes by JVM 02, “taxes are not government matching, rather it is government reimbursement. I can reduce my net cash flow. My giving is therefore not entirely altruistic. The tax advantages grease the wheel for me. It allows me to be more generous.” Two respondents cited crowding out – decreased interest because of an action. JVF 34 inquired, what are the reserves they (the charity) already has? Some charities are already well healed. They have huge bank accounts to fall back on. I removed four or five from my list of charities I give to as they don’t appear to need my money. Similarly, JVF 36 indicated,
if I am making a new donation or a donation to an organization for the first time, then sometimes I look at the government charitable website. Does the organization have a huge chunk of money from the government? Or does it come from individual support? If the government is supporting the organization so much - should I support them? Do you need my money?

**Question # 3.**

Question # 3 inquired *what do you know about matching programs?*

With this next question, I wanted to learn more about what participants knew about matching programs, regardless of whether or not they favoured them. I was curious about their level of appreciation, or not, about the concept in general or any relevant details. Participants were generous with their responses sharing meaningful reference points and anecdotes. If information was unknown, respondents’ forthrightness was evident. Five broad themes were evident in the feedback to this question. They were: familiarity, incentive, allure, mechanics and the source of the match. Each will be explored.

**Familiarity**

Participants provided general overviews of their knowledge of matching gifts. JVF 09 noted, “matching causes more money to be raised but there is often lots of strings attached.” JVF 17 indicated, “matching depends on an anonymous donor with deeper pockets than mine.” JVF 46 stated, “I know certain organizations, particularly at year-end, make an effort to find someone to serve as a match. The match is often one to one and up to x dollars.” Similarly, JVM 07 observed, “for the next two months, Mr. Bug Bucks will match to spur to give during a period of time.” JVM 13 remarked, “if you give, this is how it will double or triple. Matching starts the giving.” JVM 16 noticed, “the general principle is that one dollar received from the donor triggers one dollar from somewhere else, another source of funds.” Additionally, JVM 18 outlined, “each one is a bit different. Matching impacts the flow of money coming in so that
there is more than I give.” What is believed the respondent meant was that given matching and their donation, more money is available for the charity. Respondents indicated a general familiarity with the concept of matching programs given their direct participation as a donor or volunteer. JVF 01 and JVF 37 shared respectively, “I know about them as organizations I donate to have them. I was on a charity board and they had a matching program.” “I have actually donated to organizations that had matching.” One respondent knowledge was gained through work as a fundraiser, JVF 29 commented, “I know lots. As a professional fundraiser I depended on individual donors providing matching funds to incent others to give.” Others had experience, or were aware of the concept through their employers. JVF 08 indicated, “I know about one from my employer. I just know about matching conceptually, I don’t know the details.” Similarly, JVM 14 shared, “the firm I used to work for had matching funds. The firm matched up to a couple of thousand dollars per employee.” Finally, JVM 41 remarked, “I came across them for years – my employer provided support for every buck donated, they gave back as well. The match usually has conditions.”

Several of the respondents indicated their knowledge of matching gift programs was limited. JVF 15, JVF 26, JVM 05, JVM 23 each shared some variant of “not a lot, about nothing, or very little.” While the question focused on knowledge of matching programs in general, some focused on their own memory, or lack thereof, regarding participation in a matching giving initiative. JVF 20, JVF 24, JVM 18 and JVM 21 remarked respectively, “if I participated in matching at the University of Toronto, I didn’t know. Apparently, I did.” “To be perfectly frank, I don’t recall we participated in the matching program.” “I could not tell you what matching programs I’ve been involved with.” Finally, “I didn’t know I participated in one. I wasn’t aware.” Two respondents cited their limited knowledge following with queries. JVF 12
shared, “I do not know as much as I should. Are there caps or limits to how much is matched? How does it get triggered?” Lastly, JVF 34 noted, “my knowledge of matching programs is not in a minus factor, but certainly just barely above zero. Periodically a letter will say – if you have an employer who matches. I was not aware there was matching. Interesting to discover this.”

Incentive

There were a number of respondents who referenced the incentive component of matching giving initiatives. More general comments related to the encouragement aspect of matching was outlined by JVF 08, “this is a proven way to do it. It triggers lots of dollars.” JVF 24 observed, “there is a benefit to matching. It is a good idea to give potentially more. Give more money to the cause.” Additionally, JVF 20 noted, “matching is icing on the cake.” JVF 12 cited personal motivation, “yes, matching is a motivator for me.” Similarly, JVF 19 shared, this is a key fundraising strategy that can work well. If a person putting up a match is going to donate anyway, I am going to take advantage of the extra money. You wouldn’t set up a match you couldn’t meet. It is a sophisticated way of taking one person’s gift and making it into something else.

Finally, JVF 37 remarked, “even though I give on a monthly basis, when an organization comes up with a match – it prompts me to give again and make a greater impact.” A couple of participants spoke to the incentive mechanism of matching gifts, particularly gifts given at lower levels. JVF 01 shared, “matching initiatives are a very good carrot to encourage individuals to give at lower amounts. If someone is giving a gift of a million dollars, it is not needed.” JVF 17 observed, “smaller donors can feel they are getting more from their donations. Matching provides an opportunity for well healed willing to give in that fashion.” The respondent appears to be sharing a both / and scenario here. What was described in the context was that matching provides an opportunity for donors who give at both lower and higher amounts to participate.
together. Donors who give at lower amounts can take advantage of matching programs. Donor who give at higher amounts might be able to provide the matching funds.

Three participants referenced specific matching programs and their incentive components. JVF 28 shared, “with the United Way, if I gave more than a ten percent increase to my annual gift, then my gift was matched.” JVF 31 observed, “Ryerson had a two and a half matching program. I looked around for newer universities as they gave more matching (a greater match ratio.)” Note - “a two and a half” means 2.5:1 match ratio. Finally, JVM 02 highlighted, there was a program in 2001 whereby the government wanted to privatize scholarships. It was named OGS – the Ontario Graduate Scholarship program. The donor committed fifty thousand dollars plus fifty thousand dollars from the university. The government then matched the payout. My donation was spread out over four years. But, out of the gate, the donation was matched. This was totally outside reason. I was motivated into doing something.

There were several respondents who pointed out that matching gift programs did not provide incentives to them. JVF 26 and 34 respectively shared, “this wouldn’t impact my decision to give” and “this wouldn’t have made a difference to me.” JVF 25 remarked,

if I’ve already decided to give – I may make a donation right away to capture the match. I might even give more. The matching influences the timing and the amount. However, I have already made the decision to give to this particular organization.

Allure

Several of the respondents identified the allure or interest in matching gift initiatives. JVF 01 stated, “matching appeals to a lot of people particularly if you don’t give very much money.” A number of the participants focused on their individual connection to their interest in matching funds. JVF 19 revealed, “it took a long time for the University of Toronto to find me. Once they did and there was this matching program, I must have been interested.” JVF 27 shared,
I have to say matching programs appeal to me. My accountant says none of his clients supports more charities than me. I don’t give a lot of money but I do give to many charities. I really like to take advantage of matching money.

JVF 29 remarked, “it is nice if matching happens. I just happened to give to a new matching initiative. It made me feel good.” JVF 31 indicated, “a friend of mine is a supporter of a charity that had matching funds. I gave to that.” JVM 07 observed, “I have definitely given because of matching initiatives. Fall is a good time to trigger giving. Often times you can’t get matching funds unless it is the fall.” Two participants noted initiatives that underscored the allure of giving to a matching initiative. JVM 35 commented, “in 1996, it shows up in the magazine that for every dollar from me, the university and the province would match my gift. This certainly made me make a donation.” JVM 43 said, “[The] Boundless [Campaign] increased my contributions. That is excellent. I gave what I could and it was doubled.” Finally, two respondents discussed the allure of matching initiatives in regards to the government serving as the source of the match. JVF 25 indicated, “if the Canadian government will match disaster relief funds, then it feels like I need to do it. The urgent appeal of the disaster is underscored by important signalling from the government.” Lastly, JVM 38 noted, “the great thing about the provincial matching program was that it was for everyone, not just initiatives for STEM (science, technology, engineering and math) and AI (artificial intelligence.)

Mechanics

In response to the query, *what do you know about matching programs*, some of the participants focused on the mechanics, or workings, of matching initiatives. JVF 45 indicated, “the key is very often, who is asking? Given the case – we are getting close – can you give? I believe it is simply a technique (one of many) to get us to give.” A few respondents spoke about the ease, or lack thereof, in securing matching funds. JVF 08 had a positive experience,
highlighting, “the one I rely on is extremely easy. KPMG on a quarterly basis issues matching
cheques. With the United Way, it is matched twice. The company matches first, plus the
partners provide a match.” JVM 14 remarked, “lots of people did not take advantage of the
program because they either didn’t know about it or thought it was too much work to get the
match. All you had to do was fill out some paperwork.” Slightly more negative framing of the
mechanics associated with securing matching funds was identified by JVM 07, “my company
matched gifts. I was urged by charities to trigger the match. It is not simple to get. I would do
this but it is a bit of work.” Lastly JVF 03 shared,

it took a very long time to process the matching gift. Once my company outsourced the
process, they got better at it. You send your cheque to the company, then they give it to
the charity. Or you could give directly to the charity and show your tax receipt. The
outsourcing company is called Benevity. It manages matching funds and sends the tax
receipts. The company doesn't recognize individual donors. It is the first year doing this.
I am required to give online. We'll see how it works. They take a cut to pay for their
operations.

Source of Funds for Matching Initiatives

The source of funds for matching initiatives was discussed by a number of the
respondents. Sources for the matching funds included the government, individuals, corporations
and universities. JVF 03 and JVF 09 reflected respectively, “matching comes from individuals
or corporations. The source of the match can also be a previous employer.” “Matches are often
offered by the government. Corporations also provide matching funds.” Several discussed the
role of the government. JVF 36 shared, “back when I was working, the companies I worked for
were not in this category. The government gave matching money to certain causes. I get a slew
of letters from charities to support them – all touting government matching funds.” JVF 32
noted, “quite often the government matches one to one. Initiatives such as famine in Africa,
donors plus the federal government are prepared to give.” JVF 29 remarked, “if the government
says it will match up to one million dollars, it is like a bonus.” JVF 15 also shared, “the
government provided matching support. This is a terrific thing for the government to provide
type of support.” Individuals were also featured as the source of the match. JVM 40 noted, “in
the past, I donated to various University of Toronto initiatives. An individual donor agreed to
match my gifts on two or three occasions.” JVM 10 shared, “two years ago, I served as the
donor for matching funds. They used my annual fund donation as a match. I would have given
the money anyway, but this way, more funds were secured.”

Finally, two respondents shared their views on multiple sources of matching funds. JVF
33 discussed,

previously there was no match, then there was. That was very nice. My scholarship
gives out five awards every year because the donation was triple matched. The matches
were done by University of Toronto, the provincial government and a donor. Gifts are
definitely helped with matching.

JVF 44 noted,

matching programs don’t draw me into philanthropy. I give to those charities I believe
in. I never had access to an employer-matching program, as I own my own company. I
am supportive of a philanthropist providing a match – U of T or another donor. I am torn
regarding government matching. It doesn’t draw me in. I am not sure this is a good use
of government funds.

Some of the respondents expressed skepticism regarding the source of funds for matching
initiatives. JVF 17 remarked, “I assume they are being truthful when it comes to matching.”
JVF 46 inquired, “I am curious, is it just a marketing ploy? Are there actual matching funds
available? Or are they just saying there are matching funds?” JVM 10 believed, “matching
funds is all in the marketing.” Three respondents directly shared their doubts. JVF 45 remarked,
“some matching is true, some is simply recycling money already in the system. I am skeptical
that incentives are provided to give. I have cynicism regarding government matching donations
– was this a pot [of money] that was going to be distributed anyway?” JVF 12 queried, “I am
suspicious of the advertising of it. Is it money the organization has anyway?” Finally, JVF 11 shared, “when I hear about anonymous donor matches, I think the organization had the money anyway - it isn’t new money.”

Question # 4.

Question # 4 asked what inspired your decision to make a matching gift?

Responses to this question presumes participants were aware they participated in matching programs. While many of the respondents clearly could connect motivation behind making the gift and the matching gift initiative, others could not. Feedback to this query featured five different subjects within responses – four of which are interconnected. These themes were: timing; inspiration; closely connected with rationale; as well as no idea; closely connected with no impact.

Timing

The offer of matching fund opportunities came at an ideal time for several of the respondents. To this end, they indicated this was the inspiration behind making matching gifts. JVF 06 and JVF 11 respectively shared, “impacted timing.” “Timing just made matching more effective.” Two participants specifically made the tie between timing and amounts regarding matching gifts. JVM 04 and JVM 05 respectively indicated, “timing, less so on amount. I gave more because matching was available.” “Timing yes, amount no.” JVM 23 referred to a number of factors behind the inspiration for making a matching gift, “combination of things, such as timing of request, organization, amount being matched and sometimes the source of the match.” Two other respondents indicated the inspiration really impacted the timing of the gift. JVF 03 remarked,

size of the match has no impact on me. I only give within my means. Matching funds only changes the timing of the gift. I will take advantage of the match and give at a
different time of the year. I will not change the organization I give too, the designation of the gift and certainly not the amount. The impact is only on the timing.

JVF 09 observed,

I don’t always do it. I only participate in matching programs, if it comes at the right time. I give because I want to. Matching funds will not get me to give a gift if I don’t want to or if it is the wrong time.

Finally, JVM 38 commented, “matching encouraged me to give at the time and an amount I would have otherwise given. Timing was key. There was an initial burst of interest. It is hard to disaggregate the specific causality.”

Inspire

Not surprisingly given the question, what inspired your decision to make a matching gift, a number of the respondents specifically addressed what was their inspiration or motivation for giving to matching programs. JVF 37 remarked, “matching programs are usually for a specific cause or initiative. My experience is that crises initiatives work. If there is a specific species at risk, it needs to be motivating for something that is out of the ordinary.” Some of the respondents told particularly meaningful stories or reasons that encouraged their giving to matching gift initiatives. Several shared personal rationales. JVF 08 shared,

my parent’s situation, they were poorer than dirt. They had no education. They grew up in [the Great] Depression. My mom and her siblings were farmed out to other families. My mom lived as a maid. My dad went to war. He went to the University of Toronto on a War Veterans Program. He went into pharmacy. My mom went to University at Toronto at the age of sixty-seven. She went as a part-time student through Woodsworth. It was an excellent program. I established a scholarship to enrol in the academic bridging program associated with Woodsworth. I continued to give because of the matching program. I remembered the request very clearly and how it aligned with my parent’s opportunity to go to University of Toronto.

JVF 12, shared, “I taught at University of Toronto. To me, education is important. If there is a matching campaign on, it is not a tipping point for me. But it is an influencer.” JVF 17 remarked on the impact of their educational experience, “University of Toronto is a wonderful
school. It is the best I ever attended. Matching provided an opportunity to give a bigger gift.” A couple of respondents spoke to the role of matching funds and honouring individuals. JVF 25 noted, “I organized a scholarship that honoured a friend who died. The match wasn’t the reason I started this fundraising initiative but it certainly encouraged others to contribute.” JVM 38 remarked, “there was a scholarship in honour of a colleague. I gave because of the individual being recognized, not because of the match.” JVM 43 observed, “I was the first in my family to get a university degree. This was a big deal to me and my family. I really appreciated the opportunity and believe I should give back. Finally, JVM 32 noted the signalling impact to the government, “this is my vote to the federal government on how money should be spent. Through my donation, I signal that a particular cause is important. I want the government to do the same.”

**Rationale**

Closely related to answers focused on the inspiration behind making matching gifts was responses related to the rationale or logic behind the decision. To this end, a couple participants shared the overall purpose of the charity as the reason behind the decision to give. JVM 14 and JVM 18 respectively remarked the rational for giving was, “the organization’s mission” and “recipient organization.” Two other respondents focused on the connection with corporations and the rationale for giving to matching gift initiatives. JVM 10 in response to what inspires you to give to a matching gift initiative, indicated, “corporate match but that's all I remember from the bigger charities. If matching is going on, it wouldn't make me give more.” JVM 42 reflected on the inspiration for leveraging matching giving initiatives and the dynamic between employee and employer,

at the corporate level, I think it is a strong message that the organization gives to its
employee. We support your philanthropic inclination; we stand beside you in this regard. There is a bond developed between you and the firm. It doesn’t influence your decision or the amount. It builds fidelity to the institution you work for; it is self-serving for the organization and good for the employee.

Finally, a number of the participants discussed a variety of reasons behind giving to matching gift initiatives. JVF 01 shared, “matching is a nice bonus but it is not a necessity for me. However, I think some people would find this appealing.” JVF 24 indicated,

the approach tickled my vanity. I was already giving a fair amount for general purposes. I was approached to make a larger gift. A gift that would be matched. The endowment fund would be large enough to create a scholarship. It was an amount we couldn't have reached on our own. As it was, it was a stretch gift for us but because that amount was matched, we were encouraged to do so. It created a fund that otherwise would not have been created. I was very pleased to be able to name the scholarship.

JVF 27 indicated, “I feel money is going to go further with matching. It is usually for something specific. I know exactly where [my] money is going and that [it] is time limited.” JVM 16 noted, “I don’t choose to donate because there is matching. I give to educational and non-educational institutions. I give because I admire the organizations values. If there is a matching grant – that is a bonus.” Finally, JVM 5 observed, “University of Toronto indicated such gifts were possible in the magazine. It seemed like a logical choice.”

No Idea

Some of the respondents did not know what inspired their decision to make a matching gift. JVF 15 and JVF 26 respectively observed, “I don’t know. I never thought of it. Likely because you asked for my support.” “I can’t remember circumstances whereby I gave to a matching gift initiative.” Two other respondents also couldn’t determine why a matching gift was made but speculated that it must have been an individual linkage, JVF 19 and JVF 20 noted respectfully, “it must have been something for me that made it personal.” “It was probably a personal connection. I don’t know why I gave to a matching initiative.” Still two other
participants likely gave given they have been donating to the university for a long time. JVF 09 and JVM 13 both observed, “I can’t remember. I have given to the University of Toronto since I graduated. I give money to something I believe in. Definitely a positive if there is matching involved.” “Since I graduated, I have been giving. I didn’t even notice if there was matching – that’s nice, a bonus.” Finally, JVM 39 couldn’t remember giving stating, “did I make a matching gift? I am confident that matching makes no difference. It might change the timing but not the amount. Budgets are fungible. Matching is more psychological than actual. This is a nudging strategy.”

No Impact

Similarly, to the observation that the inspiration behind their decision to make a matching gift was no idea, a few of the respondents indicated that the provision of matching funds had no impact on their reason to donate. JVF 31 shared, “I am donating anyway.” JVM 21 observed, “I would have made donations regardless. I was a part-time student and came back to do my studies. I was grateful for the opportunity. I feel I should give something back.” JVF 33 remarked,

I don't give because of matching. I wanted to set up a scholarship for students. I was going to donate anyhow or regardless. I more or less give a set amount each year. It is roughly a percentage of my income. There is no hard and fast rule about donation amounts but I use it as a guide.

Lastly, JVM 41 cited they wouldn’t be impacted by matching and further employing the technique of matching to secure further funding can be a source of irritation,

matching usually doesn't affect me. I do the Ride for Heart every year. In the month of May, in the lead up to the ride, I received thirteen emails to donate more and leverage matching funds. I was asked to bug my friends and do so by x date. This bothers me. There is too much bothering. This is how much I am going to give. I am not going to give more just because you send me many emails. Here you have just given at the end of year and then two months later, I am asked again. Key finding, please don't bug me. Don't go back to the well too often. I don't want to have to shell out, shell out. It is a real pain in
the neck. Since then I keep receiving the headlines, double the impact, receive a fundraise match, double your fundraising efforts; only three days remaining. When and how much I have decided to give, is what I will give. No amount of bombarding emails with change my mind.

Question # 5.

Question #5 asked did the matching opportunity cause you to make a gift you would otherwise not have made? With this next question, I was curious to learn if matching gift opportunities caused participants to make gifts they would not otherwise have made. Not surprisingly, the respondents had one of three answers: yes, no and it depends. Overall, thirty-eight percent indicated yes, the matching opportunity did cause them to make a gift they would otherwise not have made. Forty-five percent indicated no, the matching opportunity did not cause them to make a gift they would otherwise not have made. Seventeen percent indicated that it depends or both a yes and no answer. When viewed from a gendered perspective, the results are different. While there were not an equal number of men and women respondents to this question, the outcomes are different. Twenty-eight percent of men and forty-six percent of women indicated that yes, the matching opportunity did cause them to make a gift they would otherwise not have made. Fifty percent of men and forty-two percent of women indicated that no, the matching opportunity did not cause them to make a gift they would otherwise not have made. Finally, twenty-two percent of men and twelve percent of women indicated that it depends or both a yes and no answer. For a graphic representation of the percentage responses, see the enclosed two tables. Table 7 is the overall results; table 8 is the gendered results.
Table 7

Did a Matching Opportunity Cause a Gift that Otherwise Would Not Have Been Made – General Response

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<td>Yes</td>
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Table 8

Did a Matching Opportunity Cause a Gift that Otherwise Would Not Have Been Made – Gendered Response

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<th>Men</th>
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<th>Women</th>
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<tr>
<td>Yes</td>
<td>28%</td>
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<td>50%</td>
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<td>Depends</td>
<td>22%</td>
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Respondents who answered yes to this question, regardless if they were male or female, were unequivocal in their response. JVM 35, JVF 15, JVF 08 along with JVM 07 respectively said, “Yes” “Yes, for sure” “Yes, absolutely.” Some of the respondents answered yes with a qualifier of time. JVF 12 shared, “at the time, yes, matching was a stimulus for sure.” JVF 28 added, “when I was younger, yes.” Another referenced an individual link, JVF 31 remarked, “yes, Opera Atelier, because of a personal connection.” It is believed when the respondent was referring to time that it was the right time in their life.

Several participants shared deliberate actions with their affirmative responses. JVF 24 observed, “yes, my gift would not have been made had it not been for the match. We undertook a stretch [presumed gave more than initially intended] and did so because of the match.” Similarly, JVF 27 indicated, “usually, yes. It has happened quite a few times. I have sent off a donation because some kind of appeal came in. I would give again if I knew, because of the
match, it would make more of a difference.” JVM 05 affirmative response focused on making a
difference, acknowledging, “yes. I prefer to support financial aid. I want to focus on access. I
have heard so many sad stories of tremendous students who were not able to attend university.”
JVM 10 shared, “yes, I was encouraged with The Red Cross. This triggered a gift from me. I
likely would have done it anyway, made the gift regardless, but I was certainly encouraged by
the availability of matching funds.” Finally, JVM 22 was deliberate in their response to did the
matching opportunity cause you to make a gift you would otherwise not have made? indicating,
“yes. I make a larger gift. I want to burn through the matching program. I want to take
advantage of amplifying by someone else. The net impact is much better.”

While answering yes, one respondent expressed a bit of concern or hesitation with their
affirmative response, JVF 36 noted,

once in a while – yes. Matching never caused me to make a huge donation or give to an
organization that I have never supported before. But it does provide pause to consider, maybe I should look at this organization? It provides some educational or background
information. But then I get worried I am going to get on their mailing list and I’m already
on many of them. (Too many of them for my liking).

Other respondents answered no to the question did the matching opportunity cause you to
make a gift you would otherwise not have made? JVF 34 and JVF 33 shared respectfully, “no”
and “not in my case.” Five of the participants indicated they would have made the gift
regardless. JVF 44 noted, “no. I would have made the gift anyway. Matching does not impact
me.” Similarly, JVM 23 said, “no. I would have made the gift anyway.” JVM 14 commented,

no. I would have made the gift otherwise. But I see matching as leverage, great leverage,
but doesn't impact whether I would make the gift. If I had a choice between two places to
give, I would benefit more with a match, I might consider giving there. But I would have
to want to be giving to the organization in the first place.

JVM 40 remarked, “not sure. The matching gifts I have done at the University of Toronto, I
would likely have given anyway. So no.” Additionally, JVM 43 shared, “no. I would have
given the gift anyway. The matched enhanced my gift. I have been contributing since the 1970’s, as soon as I finished paying off my student loans.”

Two respondents specifically shared they did not believe they had participated in matching initiatives. JVM 21 remarked, “no. Where I give to has no matching funds.” JVF 20 indicated, “Can’t say I’ve noticed matching gifts. The designation, where it goes, matters to me.”

Still different participants cited factors other than matching on the decision to give. JVF 29 observed, “no. Matching is not the motivator to give. Matching may cause me to give more, but not to give in the first place.” Similarly, JFV 26 shared, “no. I sincerely doubt it. This might affect the contribution, the amount. However, if I didn’t want to contribute to an organization, I wouldn’t.” JVM 13 noted, “no. A personal connection is needed as the stimulus.” JVM 16 remarked, “no. Generally, first I choose whether I am going to donate or not. Where there is matching is simply a ‘by the way.’” JVM 18 commented, “no, don’t think so. I really give on the basis of what I normally give. I am happy for the match, but that is not why I give.” JVF 32 observed, probably not. It might spur me to do something right away vs. six months from now. I wouldn't give more to an organization if there was a match, or if it came after I had donated. I would be sorry I missed the match, but I wouldn't give again or if I wasn’t going to give in the first place. Of course, the more you give, the more you are asked. I like to target my giving. I direct my giving. Matching may impact timing, nothing else.

Similarly, JVF 46 noted, very rarely. I give so much every month, I have a file of all my donations. Everyone wants you to give so much per month. The fundraising drive wants the money then. I like to spread them out, spread out my giving. I always give in X month. That is when I am going to give. The match is unlikely to persuade me. Rarely, perhaps occasionally, if something is very special. It really happens more out of coincidence.

Finally, JVM 41 shared,
no. Maybe if the match happens to arrive at the right time. But if the catch is a deadline date – I have to give in the next five days in order to receive the match, if I was not planning to give at that time, I am not going to give. It doesn’t matter if there is a match.

Lastly, five of the participants reflected in response to the question, *did the matching opportunity cause you to make a gift you would otherwise not have made*, that it depends or yes and no. JVF 17 stated, “yes and no. I ask myself who did I give to and who have I missed for the year? I do much of my giving at year-end. This likely impacts the timing of the gift.” JVF 30 affirmed, “sometimes, it depends. Yes, if donating to the organization anyway, I gave a little more. I donate to something if I am involved with it.” JVF 45 shared, “sometimes it does. It depends on who is asking. The match may bring the initiative to my attention, but really, it is the cause that is important.” Finally, JVF 19 observed the impact on their professional development,

it probably did. It was an unknown drop of sand, someone found me, likely incentivized me to give. I was beginning my own career. I was learning about matching and fundraising. I likely wanted to see how it worked from a donor’s perspective. A good [fundraising] campaign is broken down into bits.

**Question #6.**

Question #6 asked *did the matching opportunity cause you to make a larger (or smaller) gift than you would have otherwise made?* Building on the previous question that queried *did the matching opportunity cause you to make a gift you would otherwise not have made*, I wanted to explore whether the match had an impact on the size of the gift made. Specifically, I asked whether a larger or smaller gift was made because of the match. Surprisingly to me, fifty-five percent of the respondents answered neither (neither larger nor smaller). Thirty-five percent of respondents answered larger. Interestingly, ten percent answered not smaller. When viewed from a gendered perspective, the results are different. While there were not an equal number of men and women respondents to this question, the outcomes, once again, are different. Seventy-
two percent of males answered neither and forty-five percent of females answered neither
(neither larger nor smaller). Eighteen percent of men answered larger while forty-five percent of
women answered larger. Zero percent of men and women answered smaller. Ten percent of
men and women answered not smaller. For a graphic representation of the percentage
responses, see the enclosed two tables. Table 9 is the overall results; table 10 is the gendered
results.

Table 9

Size of Gift – Did Matching Cause a Larger or Smaller Gift? General Response

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td><strong>Neither</strong></td>
<td>55%</td>
</tr>
<tr>
<td><strong>Larger</strong></td>
<td>35%</td>
</tr>
<tr>
<td><strong>Smaller</strong></td>
<td>0%</td>
</tr>
<tr>
<td><strong>Not Smaller</strong></td>
<td>10%</td>
</tr>
</tbody>
</table>

Table 10

Size of Gift – Did Matching Cause a Larger or Smaller Gift? Gendered Response

<p>| | | |</p>
<table>
<thead>
<tr>
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<td><strong>Men</strong></td>
<td></td>
<td><strong>Women</strong></td>
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<tr>
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<td>72%</td>
<td>45%</td>
</tr>
<tr>
<td><strong>Larger</strong></td>
<td>18%</td>
<td>45%</td>
</tr>
<tr>
<td><strong>Smaller</strong></td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Not Smaller</strong></td>
<td>10%</td>
<td>10%</td>
</tr>
</tbody>
</table>

In response to the query, *did the matching opportunity cause you to make a larger (or
smaller) gift than you would have otherwise made?* a number of the respondents indicated that
their answer was neither. JVF 17 commented, “neither. I give what I normally give regardless
of matching.” Similarly, JVF 33 shared, “neither. I have an amount and that is what I will give.”
JVF 44 remarked, “neither. I gave the amount I would have given regardless of the match.”
JVM 4 said, “neither. There is no difference.” JVM 18 noted, “neither, I do the same. People who are matching the gifts have some interest in the outcome.” JVM 39 indicated, “neither. I donate the same. It might change the timing.” JVM 07 observed, “it spurred me to do it. It didn’t change the amount donated but it got me to do it.” JVM 16 mentioned, “neither. It is immaterial to me. I don’t have deep pockets. The belief in the organization / mission shapes my decision to make donations. Invariably I make gifts anonymously.” JVM 40 indicated, “neither. I would not donated just because of matching, although it is a factor.” JVM 13 specified, “neither. I don’t think so. I pick a number or amount I am comfortable with and that’s what I give. Matching doesn’t impact the size of giving.” JVF 29 observed, “larger? No. Someone else is chipping in – so I don’t have to. Not to smaller, solid maybe. Neither.” JFV 27 recounted,

neither. I usually don’t give more than I normally give. There are some exceptions. Sometimes with disaster relief, I give more. Sometimes just because an appeal come in the mail I give again. I don’t give great amounts. But again, I give because of the match.

JVF 46 shared,

neither. Matching has no affect. I am stuck in my ways. I am an old lady. If I bump up a donation to one charity, I do so across the board for all. The match does not make a difference. I'll do this only for charities I feel strongly about. If there is special matching for charities I trust, then I might succumb to it. Canadian International Conservation Fund, it is small organization with such a clear statement of purpose and projects supported. We can buy a new track of land for $4,753. This is so precise. It worked out well for me. The quality of the organization that is the primary motivator for me, not the matching fund. Matching funds generally don't make much of a difference.

Finally, JVM 41 observed,

if at the time I am giving there is a match, then maybe I could go for a little more. Not really likely though. I give four percent of my income to donations. I have to decide - who do I really want to support? Don't say it is just an extra ten dollars – that is a lot of money to me.
While not quite as many, a number of respondents in response to the query, *did the matching opportunity cause you to make a larger (or smaller) gift than you would have otherwise made?* answered larger. JVF 25, JVF 37 and JVF 45 all answered “larger.” A couple of respondents were not quite sure but thought they would make larger gifts, JVF 15 and JVF 20 noted respectfully, “good question. Possibly, likely larger.” “I might make a larger gift.” A few focused on the ability to make the gift more meaningful through the added donation. JVF 08 shared, “larger. I looked at the percent payout and I wanted a larger percent output – so I put in more.” JVF 26 indicated, “a larger gift. If I was going to make the gift, I would determine how it might become more impactful.” Finally, JVM 23 remarked, “larger. The matching opportunity made it great, more advantageous to give.”

JVF 24 recounted why a larger gift was made,

> because we made this commitment - over the five-year time period - specific period, we took the amount of one fund and put into another. Not to a general fund. We gave a much larger amount. Basically, we were taking from Peter to pay Paul. We wouldn't make two gifts - one to general, one to specific. We moved funds from general to specific in light of matching.

Finally, JVF 19 also shared why a larger gift was made,

> I have given more because of matching. I have received pressure from other trustees at organizations I have volunteered with. I gave more money than I have wanted to because of personal connections. It seemed weird if I give money to what the government will give to. Where my tax dollars go. We like to think we are so powerful to influence where government dollars go.

In response to the query, *did the matching opportunity cause you to make a larger (or smaller) gift than you would have otherwise made?* three of the respondents indicated that their answer was not smaller. JVF 36 indicated, “my gift wouldn’t be smaller. The matching may cause me to make a gift I wouldn’t have otherwise made.” JVM 04 remarked, “not smaller. Matching would never make me give less. Some initiatives I might give more.” Lastly, JVF 09
observed, “not smaller. I will give the same or larger amounts based on what I can afford. The amount I give is always based on what I can afford. If there is matching – it is found money for the charity.”

**Question #7.**

Question #7 asked *would you have made a larger (or smaller) gift if the purpose were something other than student financial aid?* This next question intended to build upon the previous two questions, question numbers five and six, regarding the donor response to matching programs and / or specific designations. Question number seven asked respondents if a larger or smaller donation would have been made for a gift designation other than student financial aid. Surprisingly, none of the respondents answered a larger or smaller gift. Rather, respondents answered yes designation makes a difference or no designation does not make a difference. Respondents also answered it depends. I do not know why almost all respondents replied in this manner. I could speculate and suggest it was fatigue at having to answer a third similar type of question or perhaps it was lack of understanding of the question. Such hypothesizing is not additive to this discussion. Despite not answering exactly the question posed, valuable information was gleamed from the respondents. Coincidentally, they coalesced on their reactions to question number seven and for the most part chose to focus on gift designation and whether it has impact on whether a gift occurs. There was no real difference between the responses of men and women to this question. Nineteen percent of respondents indicated that yes, designation makes a difference. Fifty-four percent of respondents indicated that no, designation does not make a difference. Twenty-seven percent of respondents indicated that it depends on what needs support. For a graphic representation, see table 11.
Table 11

*Impact of Gift Designation*

<table>
<thead>
<tr>
<th>Yes, designation makes a difference</th>
<th>19%</th>
</tr>
</thead>
<tbody>
<tr>
<td>No, designation does not make a difference</td>
<td>54%</td>
</tr>
<tr>
<td>It depends.</td>
<td>27%</td>
</tr>
</tbody>
</table>

In response to the query, *would you have made a larger (or smaller) gift if the purpose were something other than student financial aid*, some of the respondents answered yes, the designation makes a difference. JVF 08 shared, “yes, the designation would have made a difference. I certainly would not have given the same size of gift had it been designated toward a new lab. A personal connection was valuable and critical. I could sympathize with the cause.” Similarly, JVF 27 noted, “the designation matters. I want to know where the money is going. I want the choice with matching it is usually something specific. I do not give to the area of greatest need.” JVF 33 observed, “specific designation really matters. I do not want to give undesignated gifts. I need to know where funds (my donations) have gone.”

A few respondents’ specified that yes, designation matters and additionally articulated specifically which project or initiative they would prefer the gift support. JVF 31 remarked, “if I don’t give to student financial aid, I would designate to the president’s fund. I trust his judgement.” It appears the next two respondents tied their answers to their experiences as students. JVM 21 said, “an ask for infrastructure would also (in addition to student financial aid) work for me. I could never find anywhere to work. The library needs more space. I’d donate to that so others could have a quiet space to work.” In addition to sharing which project JVF 34 wanted to support, they also included why,
designation matters to me. I want to focus on student support. I managed to get through school by applying for every single last scholarship, grant, bursary etc. It is important that higher education is not seen as a luxury only available to the wealthy. How much brain power have we failed to capitalize on because someone didn't have access to education?

Other respondents answered no, the designation does not make a difference. JVF 19 indicated, “no. Specifically, for education, the designation simply needs to appeal, not for student scholarships, it doesn’t shadow over anything else.” JVF 26 remarked, “other projects are important too, not just student financial aid. Projects such as endowed chairs, programs, projects within departments.” Similarly, JVF 36 noted, “I don’t designate. I give to where the money is most needed.” JVM 07 observed, “designation for me is not relevant.” JVM 23 shared, “regarding the designation, I’d probably give to something else. The range is huge for what I’ll support. I can’t generalize easily. Idea of need for the designated charity is the power behind the gift.” JVM 02 observed,

designation does not make a difference as long as I can identify with it. I give to undesignated support. It does not matter to me if it is student aid or generic. It is the organization that matters to me. The people in the organization matter.

JVF 29 also indicated,

I don’t like to designate. The broader, more general the designation, the better. I trust the organization to spend the money the right way. I like to support programs vs. research. I like to give the organization the freedom to use where it is necessary. Trust is important.

JVM 35 unscored designation was unimportant and that pursuit of a scholarship was in response to the organizations request, “this is what they suggested. This amount was enough for a named scholarship, the designation doesn’t really matter. I have a large pending bequest that likely signals designation does not matter.”

Finally, a number of the respondents answered it depends on the designation whether or not a gift would be given. JVF 09 shared,
depends. I don’t want to support something vague or non-specific. I want to support someone’s education. I got through university by support from OSAP – Ontario Student Assistance Program. I want to help someone else get through. I believe we can build a better society through education.

JVF 17 shared projects that would and would not be supported, “depends on the designation.

Student support is very important to me. I also support the general fund or libraries. I will support almost anything except athletics. I would not support a new football stadium.”

JVF 32 observed,

depends on what they are asking for. Student financial aid is really important. If I thought others were giving, I may not. It is a judgement call whether or not to take advantage of matching. If you trust the organization and because they have identified it as an area of significant need, it might cause me to make a donation. It might attract one. It needs to be an area of interest.

Question # 8.

Question #8 asked what do you need from an organization (information, guarantees concerning use of funds, other) to consider making a matching gift? For this latest question, I was curious if potential donors were notably passionate or focused on particular background information that was necessary in order to make decisions regarding making a matching gift. I thought responses might be a bit more definitive or fulsome. Instead, many of the participants either did not answer the question or indicated it wasn’t a particularly useful question. Such as, JVF 01 pointed out, “that is a redundant question. I don’t need anything from the organization as I give because it is the right project and the right time.” Others shared they didn’t need much from the organization, such as JVF 15 who remarked, “not much. I have a low threshold for information needed. I may have the gift directed. Most things at the university I would support.” Similarly, JVM 16 noted,

doesn’t make a difference, nothing in particular is needed. Matching is simply a bonus. Its presence doesn’t swing me whatsoever. I don’t do anything to or need to investigate
further. I don't undertake due diligence when making gifts, I support organizations I believe in.

Another respondent indicated preference of, or access to, support material was dependent on the size of the gift. JVM 02 observed,

it depends. Mostly no information is needed. Small matters or small donations, they are painless decisions such as two hundred and fifty to five hundred-dollar gifts. For these gifts, it doesn't matter what are the components of the matching initiative. For fifty thousand-dollar gifts, I want to know the information. With bigger donations, I need to know more info.

The organization in this context is the charity, university or the recipient of the donations. This does not refer to the government.

While some of the respondents were not in need of information from the organization, others indicated that some detail was necessary. For example, project components or rationale for the support were cited as fundamental to the decision-making process. JVF 27 indicated,

I want to know specifically what the money is going to be used for. Usually it is an organization that I am already supporting. I know the mission and the people involved. If a matching opportunity came from an organization I didn't know, I'd be less inclined and, or would need to investigate further as to whether or not I'd participate.

JVF 37 said, “I need specifics. I need the rationale or reason for request.” JVM 05 inquired, “what is it for? I wouldn't want the university to miss out on a matching opportunity.” JVM 14 asserted, “the updates convince me to give more. Need to tell the story in a compelling way.”

JVM 23 commented,

a sound description is needed. It identifies the intellectual and emotion aspect of the appeal. Rationale way to present the case for the match. Particularly when it arises at an odd time of year. I never understood why requests are made in the spring or summer. Why now? Why is this being asked for? What is important about it at this unusual time? Fundraising campaigns typically should run between September and June.

The source of the matching funds was flagged by a few of the respondents as critical information as part of the decision-making process in making a matching gift. JVF 12 asked,
“what is the match, who is it coming from? Source of match is important to me. As well as the level to what is matched.” Similarly, JVM 04 queried,

the source of funds matters to me. Are these funds they already have? If I know the matching funds are coming from private sector, it is much better. If it is the government, they should not be using the funds for this. I also want to know - what is the matching period, restrictions to the match etc.?

Dissimilarly, JVF 37 remarked, “I don't care about the source of the match although it is nice to know. I need to know where my money is going.”

Other observations by respondents included issues related to timing, match rate and recognition. JVF 11 observed succinctly, “timing.” Unrelated although equally succinctly, JVF 25 noted, “match rate and criterion selected.” Thanks and recognition were the focus of attention for two of the participants. JVF 26 shared,

I don't need a lot. If I am interested in a project, it needs to be impactful. It needs to make a difference in some way. It needs to be meaningful to me. Then I will give. I also need to be thanked in some way. It is helpful to know how I will be thanked or recognized.

Similarly, JVF 24 focused on recognition components,

it was the hook we wanted. Prestige. The opportunity to establish something that leaves a legacy is very meaningful to us. Others have an opportunity to leave a legacy. Great to get something back for it. It is important to know a program / issue enough to get a match.

Participants raised a couple of other components for consideration. In response to the query, what do you need from an organization (information, guarantees concerning use of funds, other) to consider making a matching gift? JVF 17 shared perhaps most straight forwardly, “a request. I need to be asked to give.” Finally, in response to the query, JVF 09 observed that securing matching funds can take a lot of work,

I only give to registered charities. That is all the due diligence I do. It can take a lot of work to find the right matching gift company, components of the match. If the process is more complicated, I put off giving, and then often miss the timeline or deadline.
Question # 9.

Question #9 asked *what is the optimal match rate to consider giving? 1:1, 2:1, 3:1 or others?* With this next question, I wanted to learn if donors had an opinion on the optimal match rate when undertaking a decision to make a matching gift. I was delighted to discover that donors did indeed have formed opinions on match rates. Respondents typically answered quickly and definitively. It wasn’t that there was less thought involved, participants already knew their opinions on this question. From an overall perspective, fifty-three percent of respondents answered the optimal match rate was one to one. Five percent of respondents indicated the optimal match rate was two to one. Two percent shared that two and half was the optimal match rate. Five percent of respondents answered both three to one and four to one were the optimal match rates. Thirty percent of the respondents’ answers were categorized as other. The “other” answers varied widely from no opinion to non-numerical responses. For a graphical representation, see the enclosed tables. Table 12 is the overall response; table 13 is the gendered response.

**Table 12**

*Optimal Match Rate to Consider Giving – General Response*

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<th>Rate</th>
<th>Percentage Respondents</th>
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</tr>
<tr>
<td>2:1</td>
<td>5%</td>
</tr>
<tr>
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<td>2%</td>
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<td>3:1</td>
<td>5%</td>
</tr>
<tr>
<td>4:1</td>
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</tr>
<tr>
<td>Other</td>
<td>30%</td>
</tr>
<tr>
<td></td>
<td>100%</td>
</tr>
</tbody>
</table>
Table 13

**Optimal Match Rate to Consider Giving – Gendered Response**

<table>
<thead>
<tr>
<th>Rate</th>
<th>Male</th>
<th>Female</th>
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<td>6%</td>
<td>4%</td>
</tr>
<tr>
<td>Other</td>
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<td>32%</td>
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<tr>
<td></td>
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<td>100%</td>
</tr>
</tbody>
</table>

Overall results and those of men and women were closely aligned. More than half of all respondents believed that the optimal match rate was one to one. Indeed, three of the respondents, JVF 06, JVF 25 and JVM 05 answered succinctly, “one to one.” Others, JVF 03, JVM 39 and JVF 32 added respectfully, “one to one is pretty typical match rate. One to one matching is the only one I have experienced.” “Just a one to one rate, nothing else than this.” “I have only seen one to one.” Three participants discussed one to one as optimal match but that it didn’t necessarily have an impact on their gift making decisions. JVF 01 shared, “I’ve never seen anything other than a one to one match. I suppose it depends on the organizations ability to secure funds from the government or another donor. There is no difference to me what the match is.” JVF 36 added, “I believe the standard is that it is doubled, therefore a one to one match is optimal. However, it does not impact from my perspective. I haven’t seen anything great than a one to one.” Similarly, JVM 18 commented, “I have never seen one that raises to make an argument one way or the other. Instinct that the match rate is always one to one.”

Three participants identified one to one as the optimal match and also discussed the relationship with disaster relief initiatives. JVM 07 noted,
matching should be at least one to one. If it is more than that, it is really exciting. Less than that, it is actually insulting. An emergency situation makes matching far more compelling, such as a tsunami or earth quake relief fund.

JVF 34 added,

I know next to nothing on matching rates. I just assume it is one to one. If there is a matching program to say The Red Cross, I will donate more than once per year. Particularly as there seems there is always a disaster. Mother Nature does not abide by the calendar and we must respond when the need is there.

Finally, JVM 40 shared, “I have never heard of anything other than one to one matching. Major disasters encourage donating. The matching should only be one to one.”

Still others selected one to one matching as the optimal rate and provided additional framing commentary. JVF 12 noted, “it depends on the level of the campaign. The amount of sophistication requires more knowledge. Ten dollars plus ten dollars equals twenty dollars. This is a level amount. Straight math of one to one is the best.” JVM 23 discussed the effect of matching gift initiatives, “generally a one to one match ratio is fine. Doubling the reach is not insignificant, particularly at the university.” JVF 26 identified matching as an incentive to encourage philanthropy, “I haven't seen any other matching programs other than one to one. If I already had interest in the project then I would give to it. For lots of others [donors], it [matching] could be a carrot.” JVF 24 queried the source of the match,

is there an optimal rate? No, it depends on the amounts involved. If giving less, the bigger the amount [match ratio] the better. With larger amounts donated, I do not expect one to one matching. I don't understand who actually matched our gift, I presume the money was from the government. It would be neat if the match came from another donor.

Three of the respondents, having recognized one to one as the optimal match ratio, discussed the importance of partnerships or the consequence of lesser amounts offered as match ratios. JVM 38 commented,
off the top and my experience, one to one for each partner. Partners need to come with equal amounts. In a two party relationship, we need to give the same. We should be in this together. I am not aware of matching opportunities that feature different ratios.

JVM 22 shared,

if you secure a one to one match rate, you are doing well. This is similar to sales or discounts. If I receive a ten percent discount, I won't buy it. If I receive a fifty percent discount, I will buy it. If there is a one hundred percent discount, I don't believe it. I like a fifty, fifty partnership.

Finally, JVF 09 signalled annoyance at a less than one to one rate, “I expect one to one matching. Fifty cent matching is irritating. I love matching programs. Buy one, get one-half off, doesn't work. Matching funds have to be one to one.”

Two respondents identified one to one as the optimal match rate and additionally flagged any greater amount would cause crowding out. Put differently, donors would opt out of, or minimize participation in, philanthropic activity. JVF 17 observed,

I have seldom see anything other than a one to one matching rate. If someone is providing a match with three or four times the amount than why am I bothering? I would feel silly to give with so much matching money. My funding is not needed with such a generous matching offer.

Similarly, JVM 04 acknowledged, “I have never encountered anything other than one to one. I would give less if there was a match greater than one to one. I would reduce the amount I donated if they had more matching fund ratio.”

A couple of the respondents named two to one as the optimal match rate to consider giving. Additional commentary was shared by both including consequences of not providing matching and timing of provision of matches. JVM 35 noted, “I like two to one. I might be tempted to give more if this was available again. I wanted to add to my current scholarship with matching. Unfortunately, they said it wasn’t available. So, I didn’t give again.” JVM 41 remarked,
I never thought of that. I understand if you give more than one hundred dollars then the match is two to one. Therefore, if you give more, you get more of a match reward. They escalate the benefits. The match should be presented at the time of making donations. Don’t bug us later. We already made the decision when we gave. Don’t come back afterwards to say now there is a match, can you give again?

One respondent identified a two and a half match rate and mused about the crowding out influence of match rates that are too high. JVF 31 shared,

Ryerson matched by the government of two and a half (2.5). Source of match doesn't matter to me. If the amount is too high, then maybe I don’t need to give? If someone can give that much - maybe I don't need to give?

Two participants identified three to one in response to the question. Given their remarks, it is possible this is not the rate for them to consider giving but rather the optimal rate they have experienced with their own philanthropic activity. JVF 37 commented, “double or triple, given the option. I like that option. If my one hundred dollars becomes three hundred dollars, this is really motivating.” JVM 10 noted, “The Red Cross initiative was a three to one match. It floored me. Occasionally I see a two to one match.”

Finally, with regards specifically to match rates, two respondents identified a one to one match ratio was the minimum that should be provided but also went on to discuss a reaction to a higher four to one match rate. JVF 27 acknowledged, “I like at least one to one matching, if the match is higher, for example four to one, I might consider giving a little more. I couldn’t give double, but I could give a little more.” Similarly, JVM 02 observed,

one to one is a minimum. I was grabbed by the effective four to one match in my case; it changed the ball game. I was giving one thousand to two thousand per annum. Because of the match, my giving was taken up a significant amount, I added a digit. After the match, I was giving ten thousand to fifteen thousand per annum. Anything less than one to one matching doesn't do anything. I also expect as a standard that there is a cap on the total amount that is matched.
Lastly, there were a number of participants who didn’t identify a specific match rate. Rather they provided more general comments related to the influence of matching funds on their own philanthropic decision-making. Three respondents forthrightly recognized the topic of match rates had not crossed their minds. Specifically, JVF 20, JVF 45 and JVM 42 respectively revealed, “I don’t know.” “I never thought about it.” “I don’t have an opinion on that.” Three other respondents spoke in more general terms regarding match rates. JVM 13 shared, “I like to see multipliers.” JVF 08 declared the necessity of a minimum amount and period, “the floor needs to more than ten percent. There needs to be a specific time frame as an incentive from the government.” JVF 11 raised skepticism at larger match ratios, “anything is possible. I am more skeptical if the match is higher than one to one”

In response to the query, what is the optimal match rate to consider giving? 1:1, 2:1, 3:1 or others, a few of the participants choose to focus on the lack of influence of matching funds on their philanthropic decisions. JVF 44 noted, “there is no optimal rate from my view. Matching doesn’t affect me.” Similarly, JVF 19 added, “I know it [matching] is a strategy. I know what I am going to give. It doesn't influence me either way. Even if someone is going to give anyway and use it as a match, it doesn't matter to me.” Two respondents identified the higher the rate the better and yet, it still did not impact their donation decisions. JVF 33 observed,

the more the merrier! I do not give because there is matching. I feel it is incumbent on me to give. I was fortunate to have a good job, fortunate to be careful with my money, fortunate in so many instances. Because of this, I must give back and pay it forward. It is easier and better to do this. And I am happy about it. I am not a philanthropist - that is someone who give lots of money.

JVM 21 commented, “more the better but I am not influenced by matching. It depends what organization is providing the match.” Analogously, JVM 16 identifies the organization providing the match as what is relevant,
I have seen various matching values. I can't think of the specific organizations. I receive so much mail. The volume is too much. I have seen two to one, three to one or even four to one for matching. That is not what draws me to making the donation. Whether or not it is in place. I have to admire the organization values and actions.

Lastly, JVM 42 discussed their thoughts on the appropriateness of the provision of matching funds by corporations,

corporations give a match. They budget how much they can or should contribute to philanthropy. I have no point of view on this. The extent they are profitable, they can give more. That said, I’m not sure I feel good about corporations giving money. The sole purpose of the corporation is to deliver a product and make a profit for the shareholder. It should not take a point of view on legislation and charity. It should focus on doing business.

Question # 10.

Question # 10: are there any other aspect of philanthropic giving and /or matching gifts you would like to comment on was the final question asked in the interview and focus group sessions. This question was posed to ensure if participants had any remaining comments they wished to make, they felt they had the opportunity to do so. Further, I wanted to make sure I had asked all that I should have asked of the respondents. Forty-eight percent of respondents indicated that they had nothing further to add. For example, JVF 03, JVF 32 and JVF 36 answered respectfully, “I haven't thought of anything else.” “No, I can't think of anything else.” Or “no, I don’t think so.” The fifty-two percent of respondents who did have further comments shared a wide variety of statements and observations. These can be categorized as: general comments about giving; approach employed to secure gifts; tax considerations; impact (effect or value) of donations as well as additional considerations regarding matching funds.

Seven participants shared reflections on general comments about giving. Citing the need to have a particular connection to the charitable organization, JVF 20 asserted, “personal connection for me is critical.” JVF 29 shared a frustration with point of sale giving. “do you
want to give a small donation at Indigo? I hate that. I don’t feel guilty when I say no. They are using you as they get the tax receipt and recognition.” The final four respondents with comments generally about giving, focused on the importance of giving. JVM 02 noted, “if you can do it, you should be doing (giving) something. Give back at all levels on some level. It doesn’t matter how much you give, you need to give within your means.” Similarly, JVM 43 observed, “I think it is important to be involved. I am not religious. I think whatever you are passionate about you should contribute to. If you can’t give money then you should find some way to get involved.”

JVM 10 and JVM 13 respectfully flagged their apprehension regarding participation (or lack thereof) of younger individuals in philanthropy. “I am concerned about the next generation and philanthropy. I am appalled they are not donating. They are not giving proportionately or [only giving in] isolated instances. I am concerned they don’t give.” “Young people communicate differently. They are all into Go Fund Me campaigns. I don’t donate to them as I do not believe they are charitable.” Similarly, JVF 11 observed, the mode of philanthropy is changing - the next generation may do this through different ways. They may give through time or in kind gifts. Maybe they will change when they are older. They communicate differently. Kickstarter is not philanthropic as it takes a cut. The lines of contributions are blurred by helping out that way. Maybe they give micro donations?

Five of the respondents discussed the approach employed or taken by charitable organizations in securing philanthropic gifts. JVF 06 identified the need not to undertake aggressive tactics, “don’t be overly aggressive with asking for requests. That can be annoying and intrusive. I am very happy with the University of Toronto advancement offices. Phone calls can encourage small contributions.” JVF 26 cited the need to be approached in the right manner,
it is really important the way you are approached. It needs to be respectful, convenient - regardless of the medium. It needs to be professional. I hate being called at home at dinner or on the weekend. There are lots of unprofessional people who call me at home.

Similarly, JVF 33 expressed frustration at not being approached in the appropriate fashion,

this is off your topic - but I don't like being pressured. In the last couple of years, I have been getting a lot of pressure from charitable organizations about my bequests. I have heard about this from some of my friends. Many emails have pressure to give. These are mostly to my single female friends. This puts my back up. This makes me less likely to leave anything. I have told a few people in those jobs. I don't want an outburst. But it is annoying and disappointing.

JVF 46 also discussed the necessity for taking care in the approach,

respect is so important. People don't do nothing for anything. You can feel good about yourself but want more. I am insulted when I receive something addressed to Mrs. X. I am Ms. or Miss, not Mrs. It is sloppy and I don’t like it.

Lastly, JVM 04 noted,

cultivation and engagement are important. Fundraisers should look at this as a community. There are constant request for funds. The request for funds often feels too transactional. I feel they have found a plump cow and now they are trying to milk it. Instead of just philanthropy, the goal should be what is the overall engagement or interaction. Get people's time. The relationship developed is very fragile, you need to take care of it. I am more apt to pull back if something negative happens. I don't give. You need better cultivation. You need to develop a stronger relationship to protect against if something goes wrong. Philanthropy should be seen as one of many benefits.

One of the respondents discussed tax considerations in response to the query, *are there any other aspect of philanthropic giving and /or matching gifts you would like to comment on?*

JVF 30 remarked,

tax credits are good. I give money to the University of Toronto. I like to give over a five-year period. I have served as a match. I liked that my donation would encourage others to give. This way I am choosing where I put my tax dollars by getting a tax credit. Tax credits make a difference.

Three participants spoke to the impact (effect or value) of donations. JVM 35 focused on the fund performance,

I gave x number of dollars per year with the intention to grow the fund but that has not happened. I am disappointed that it has not performed well. The amount given out is the same now as it was twenty years ago. The distribution has not kept up with inflation. I am disappointed and I am sure the students are disappointed as well.
JVM 41 spoke to the need of showing the value of the donation, “the charity needs to make sure it shows the value of what they are doing.” Similarly, JVM 39 observed,

it is difficult to draw a line between donations raised and impact made. Most organizations need to make their objectives clearer. Sharing the objective for funds raised increases the comfort level that funds will be spent wisely. How are we showing we are doing something useful that specifically wouldn't otherwise get done? In small organizations it is very clear what they are doing and why. You know where the money is going. Your donations are not influencing priorities.

Eight of the participants chose to share additional commentary regarding matching. JVM 18 shared the need for charitable organizations to have matching initiatives, “I like more matching opportunities as part of the arsenal for philanthropy to be used by charities.” JVM 07 noted,

I feel better using matching funds because the charities get more than you would have given. I’m not sure about the Bell Let’s Talk campaign. It has great advertising value for the company. You get a “match” for using their product. It builds awareness, enables to tell story. Sometimes it is more about marketing for the company as in this case their product is used to get the match.

Two respondents discussed the usage of matching funds. JVF 09 remarked,

I understand the concept of matching for a crisis. The government gives twenty-five cents with a ceiling of twenty-five thousand dollars. So much has to be given in crisis support. I’d rather have a culture that says we should give money. Consistency of giving and volunteering is critical. If I was never going to contribute to the particular charity, I will never contribute to the charity regardless of the presence of matching. I have a finite pool of funds. That’s it. Whether there is matching or not. If I have exhausted my allocation, even if there is matching, I won't donate.

JVF 12 cautioned the need to be selective with matching funds,

be careful not to use matching for all campaigns. Too much usage can cause fatigue. Perhaps use other strategies? My generation have lots of ‘stuff.’ I'd like to auction this off. Charities need to think outside of the box with donors and how they might contribute. Matching shouldn't be done so often so that donors expect it or becomes fatigued by it.
Three of the respondents referenced the source of the match in response to the query, *are there any other aspect of philanthropic giving and/or matching gifts you would like to comment on?*

JVF 19 commented,

> matching gives choice. I am more inclined to give when there is a match. I am more inclined to match if the source is personal or corporate vs. the government. I'd rather match with a person vs. the government. I certainly do not want matching funds from the host organization or charity.

JVF 45 raised skepticism regarding the source of matching funds,

> it is unclear if government matching is new money or redistributed? It is cause for cynicism. I respect efforts to encourage people to give. There are so many charities and so many choices for my philanthropic support. In the end, I believe matching assists with increasing awareness of need. It incents people to give – matching, prizes etc.

JVF 24 discussed the role of government in encouraging donations,

> we've always believed in philanthropy. Would be nice if more people supported charities through philanthropy. They say that charitable giving is going down. Better if government encourages philanthropy. However, Toronto is so expensive to live in. It is hard for young people to establish themselves. Some have no money to be able to give back. Matching definitely had an impact. Matching and recognition specifically the opportunity to have something named provided the extra incentive to give.

Finally, JVF 44 shared their thoughts on matching and the impact this study has had on them,

> previously, I didn’t give a lot of thought to matching. Matching is not a motivating factor to me. I give because I believe in it - the organization, the initiative, the function is important to me. I appreciated the opportunity to think about my giving. This process has sharpened my focus.

**Chapter Summary**

This chapter featured the results from the fieldwork undertaken for this study. Outcomes from both the survey, interview and focus group sessions were highlighted.

The next chapter, chapter six will undertake an analysis of the findings.
Chapter Six: Analysis of the Findings

This study seeks to understand better the impact of matching funds. Are they a help or hindrance? As a general problem, two formative overall research questions are kept in mind. # 1. In what way could the government-initiated program in Ontario be seen as a harbinger of a return to a robust “third sector” between public and private? As well as # 2. Using Clark’s triangle as a paradigm, how could the matching program be seen as affecting the shape of a system of university education like Ontario’s? In order to best address these formative questions, more granular, specific questions were considered. These questions include: 1. Do matching opportunities have an influence in philanthropic decision-making? 2. What incentives encourage donations? 3. Is the timing, frequency or designation of gifts affected by the presence of matching? 4. What kinds of gifts are most amenable to certain incentives (for example, buildings and naming)? 5. To what extent does government-initiated matching advance public policy? Indeed, the questions relating to the determination matching gifts could have on philanthropy are seemingly endless. The following chapter will examine each of these five questions. Findings relevant to these questions will be discussed.

Question # 1.

Question # 1 do matching opportunities have an influence in philanthropic decision-making? Data to answer this question were derived from the survey as well as interview and focus group sessions.

Matching Influence

Responses to both survey data, interview and focus group sessions suggest that matching opportunities do have an influence in philanthropic decision-making. The following will
highlight some of the responses that positively identify matching opportunities as impacting philanthropic decision making.

**Survey Data**

Survey data that suggest matching opportunities do have an influence in philanthropic decision-making includes the following. In response to the survey question, *why do you give*, 62% indicated they agree or strongly agree that matching opportunities are the reason they made a gift. A further 20% indicated they were undecided and 18% said they disagreed or strongly disagreed that matching opportunities are the reason individuals give. When viewed from a gendered perspective, results were similar apart from the category of agree / strongly agree. While 62% overall indicated they agree or strongly agree that matching opportunities are the reason they made a gift; 57% of males and 67% of females responded this way. Another survey question corroborated this finding. *What factors go into your philanthropic decisions* featured similar conclusions. 60% expressed they agreed or strongly agreed with opportunities for matching, comparably 22% noted they were undecided and 18% disagreed or strongly disagreed. A further corroboration to the findings occurred when viewed from a gendered perspective, results were similar apart from the category of agree / strongly agree. While 60% overall indicated they agree or strongly agree on factors that go into philanthropic decisions; 57% of males and 64% of females responded this way.

There is consistency in the literature with these findings. While this specific question, *do matching opportunities have an influence in philanthropic decision-making*, is not asked directly in the literature, it is certainly alluded to in various studies. For example,

Eckel and Grossman (2003) present the first laboratory experiment which systematically analyzes matching donations. They show that the rebate and the matching mechanism lead to different behavioral effects in the short run. Matching donations leads to a higher amount of charitable giving than a rebate and is therefore more effective. According to
this result, a matching mechanism is psychologically different from a pure rebate mechanism. Meier (2007, p. 1205.)

Another study, undertaken by Bekkers, highlighted the effect of matches varied with gender and level of education. Specifically, Bekkers found “females are less likely to donate a small amount than males, however, matches reverse the pattern: females are more responsive to matches than males. Further higher educated persons are more responsive to matches than lower educated persons.” Bekkers (2015, p. 12.)

**Interview / Focus Group Data**

Additionally, feedback on a number of interview and focus group questions suggests that matching opportunities do have an influence in philanthropic decision-making. In response to the interview / focus group question, *what do you know about matching programs?* JVM 13 remarked, “matching starts the giving.” In response to the same question, several of the respondents discussed the concept of the allure or interest in matching gift initiatives. JVF 01 stated, “matching appeals to a lot of people particularly if you don’t give very much money.” A number of the participants focused on their individual connection to their interest in matching funds. JVF 19 revealed, “it took a long time for the University of Toronto to find me. Once they did and there was this matching program, I must have been interested.” JVF 27 shared,

> I have to say matching programs appeal to me. My accountant says none of his clients supports more charities than me. I don’t give a lot of money but I do give to many charities. I really like to take advantage of matching money.

JVF 29 remarked, “It is nice if matching happens. I just happened to give to a new matching initiative. It made me feel good.” JVF 31 indicated, “a friend of mine is a supporter of a charity that had matching funds. I gave to that.” JVM 07 observed, “I have definitely given because of matching initiatives. Fall is a good time to trigger giving. Often times you can’t get matching funds unless it is the fall.”
Still others provided rationales as to why matching opportunities have an influence in philanthropic decision-making? For example, JVF 37 remarked, “matching programs are usually for a specific cause or initiative. My experience is that crises initiatives work. If there is a specific species at risk, it needs to be motivating for something that is out of the ordinary.” Further, JVF 12, shared, “if there is a matching campaign on, it is not a tipping point for me. But it is an influencer.” JVF 25 recognized how others were influenced by matching, “I organized a scholarship that honoured a friend who died. The match wasn’t the reason I started this fundraising initiative but it certainly encouraged others to contribute.”

No Matching Influence

Other responses to survey data, interview and focus group sessions suggest that matching opportunities do not have an influence in philanthropic decision-making. The following will highlight some of the responses that do not identify matching opportunities as impacting philanthropic decision making.

Survey Data

Responses to other survey questions suggest that matching opportunities do not have an influence on philanthropic decision-making. Reaction to the survey question, would you give more money if you knew matching funds were available, only 32% answered yes. Thus a large majority of the respondents indicated they would not give more if matching was available. Nearly 40% said no, and the rest said that they did know. This result surprised me. If matching had an influence on philanthropic decision making, I would have thought there would be a greater percentage of respondents answering in the affirmative.

Surprisingly, there were no results from the literature review that addressed the question would you give more money if you knew matching funds were available? My expectation that a
greater percentage of respondents answered in the affirmative is based on my professional experience and conventional wisdom that matching funds are required by donors to incent giving. What the survey question did not address was the source of the match – *would you give more money if you knew matching funds were available* – presuming from any source. Given that respondents to the survey participated in a government matching program, is it possible that since the source of the match did not come from other donors, was is seen as something other than philanthropy, for example just part of a government program?

**Interview / Focus Group Data**

Feedback from a number of other interview and focus group questions suggest that matching opportunities do not have an influence in philanthropic decision-making. In response to the interview and focus group question, *what do you know about matching programs?* several of the respondents indicated their knowledge of matching gift programs was limited. JVF 15, JVF 26, JVM 05, JVM 23 each shared some variant of “not a lot, about nothing, or very little.” While the question focused on knowledge of matching programs in general, some focused on their own memory, or lack thereof, regarding participation in a matching giving initiative. JVF 20, JVF 24, JVM 18 and JVM 21 remarked respectively, “if I participated in matching at the University of Toronto, I didn’t know. Apparently, I did.” “To be perfectly frank, I don’t recall we participated in the matching program.” “I could not tell you what matching programs I’ve been involved with.” “I didn’t know I participated in one. I wasn’t aware.” JVF 20 noted “I don’t know why I gave to a matching initiative.” JVM 39 stated, “did I make a matching gift? I am confident that matching makes no difference.” If it is the case that respondents knew little about matching programs and / or couldn’t remember participating in them, then it is unlikely that matching opportunities had an influence in their philanthropic decision-making.
Still others were aware of matching programs yet indicated they didn’t have an impact on their giving decisions. JVF 44 noted, “matching programs don’t draw me into philanthropy. I give to those charities I believe in.” JVF 31 shared, “I am donating anyway.” JVM 21 observed, “I would have made donations regardless. I was a part-time student and came back to do my studies. I was grateful for the opportunity. I feel I should give something back.” JVF 33 remarked, “I don't give because of matching. I wanted to set up a scholarship for students. I was going to donate anyhow or regardless.”

Yet another interview and focus group question, did the matching opportunity cause you to make a gift you would otherwise not have made, provided further evidence that matching opportunities do not have an influence in philanthropic decision-making. Forty-five percent indicated no, the matching opportunity did not cause them to make a gift they would otherwise not have made. Seventeen percent indicated that it depends or both a yes and no answer. When viewed from a gendered perspective, the results are different. While forty-five percent overall indicated no, the matching opportunity did not cause them to make a gift they would otherwise not have made, fifty percent of men and forty-two percent of women indicated that no, the matching opportunity did not cause them to make a gift they would otherwise not have made. Finally, twenty-two percent of men and twelve percent of women indicated that it depends or both a yes and no answer. This gendered difference is interesting. Two-to-one is a big difference. I have no idea why there was such a difference.

Some of the observations and commentary provided by respondents included JVF 44 “No. I would have made the gift anyway. Matching does not impact me.” Similarly, JVM 23 said, “No. I would have made the gift anyway.” JVM 14 commented,

No. I would have made the gift otherwise. But I see matching as leverage, great leverage, but it doesn't impact whether I would make the gift. If I had a choice between two places
to give, I would benefit more with a match, I might consider giving there. But I would have to want to be giving to the organization in the first place.

JVM 40 remarked, “not sure. The matching gifts I have done at the University of Toronto, I would likely have given anyway. So no.” Additionally, JVM 43 shared, “No. I would have given the gift anyway. The matched enhanced my gift. I have been contributing since the 1970’s, as soon as I finished paying off my student loans.”

Two respondents specifically shared they did not believe they had participated in matching initiatives. JVM 21 remarked, “No. Where I give to has no matching funds.” JVF 20 indicated, “can’t say I’ve noticed matching gifts.”

Lastly one other interview and focus group question, did the matching opportunity cause you to make a larger (or smaller) gift that you would otherwise made, has provided additional evidence that matching opportunities do not have an influence in philanthropic decision-making. Surprisingly to me, fifty-five percent of the respondents answered neither (neither larger nor smaller). Interestingly, ten percent answered not smaller. When viewed from a gendered perspective, the results are different. Seventy-two percent of males answered neither and forty-five percent of females answered neither (neither larger nor smaller). Ten percent of both men and women answered not smaller.

Some of the discussion in response to this query included, JVF 17 “neither. I give what I normally give regardless of matching.” Similarly, JVF 33 shared, “neither. I have an amount and that is what I will give.” JVF 44 remarked, “neither. I gave the amount I would have given regardless of the match.” JVM 43 said, “neither. There is no difference.” JVF 17 commented, “neither. I give what I normally give regardless of matching.”

These results surprised me. While there is evidence in the research literature to suggest that matching opportunities do have an influence in philanthropic decision-making, much of my
field work results do not necessarily support a significant influence of matching opportunities on philanthropic decision-making. I would have thought that the evidence would have been stronger in support of, or against, the impact of matching. It certainly is not overwhelming. Many have indicated that they were not aware of matching, or if they were, it had no impact. These results provide pause for organizations who believe matching funds are necessary for successful philanthropic initiatives.

**Question # 2.**

Question # 2 *what incentives encourage donations?* Data to answer this question were derived from the survey as well as interview and focus group sessions. Incentives identified from this study included: rebates / tax considerations; matching/match ratios; warm glow; signalling effects: crowding in, crowding out, including skepticism.

**Rebates / Tax Considerations**

Rebates and tax considerations were identified by respondents as incentives to encourage donations. In response to the interview and focus group session query on *what is your view of the role or importance of philanthropy relative to government support*, some of the respondents focused on the governments’ role and taxes. Such as, JVM 04 who declared, “we should have a system of credit, meaning better tax credits. People would give more if there were better tax credits.” JVF 24 believes the “government indirectly encourage philanthropy through the tax system.” JVM 41 identified the role of government and philanthropy and its connection to taxes by stating,

government does essential things such as ensuring minimum wage, basic needs are met. Philanthropy is more than that – such as food banks or those items will less permanency. Philanthropy funds museums and art galleries. You don’t pay taxes to build a bigger museum. You pay taxes for basic services.

JVM 35 reflected on the role of choice, government and taxes,
government should support not for profits. However, if they are simply going to raise my taxes in order to do so, I’d rather give directly myself. I want to choose where I give versus the government raising my taxes to make the choice for me.

Another one of the respondents discussed tax considerations in response to the query, *are there any other aspect of philanthropic giving and/or matching gifts you would like to comment on?* JVF 30 remarked,

tax credits are good. I give money to the University of Toronto. I like to give over a five-year period. I have served as a match. I liked that my donation would encourage others to give. This way I am choosing where I put my tax dollars by getting a tax credit. Tax credits make a difference.

Finally, JVM 02 spoke about the distribution of tax receipts and the reflection of the organizations worth,

I expect an organization to issue tax receipts. One organization I gave to never issued a tax receipt. If you can’t do this one administrative thing, how can you effectively use the money donated? I fired that organization from those that I gave to.

The literature explores the role of rebates and/or tax considerations. For example, Eckel and Grossman (2008) undertook such a study in conjunction with the Minnesota Public Radio’s annual fund campaign. Testing for both rebate and matching preference, the authors predicted that given rebates and matches present the donor with the same net cost of giving to the charity, there should be a similar level of giving. However, this did not occur. Eckel and Grossman (2008, p. 250) note, “experimental results contradicted this prediction: contributions were significantly higher with matching subsidies than with rebate subsidies.”

My results did not evaluate the role of matching subsidies versus that of rebate subsidies. What I found interesting from the interview and focus group session respondents was their decision to discuss choice and its relationship with tax. Taxes were identified as supplying *need* to have items, not *nice* to have initiatives. Additionally respondents indicated they wanted to choose where their support was provided versus having the government make the choice for
them. Donors wanted to direct their philanthropy to organizations / causes meaningful to, and as selected by, them. It is not clear from my results that respondents were aware of government policy involvement in matching programs. While not asked directly, respondents did not address this in their responses.

Matching / Match Ratios

Matching Survey

Matching giving initiatives as an incentive to encourage donations was identified through the survey. Survey question - *when undertaking the decision to make your gift, how important was the availability of matching funds?* - garnered general responses roughly in thirds although a higher percentage weighted toward it being less important. Regarding the importance of the availability of matching funds, 38% indicated not important or slightly important; 29% indicated it was moderately important and 33% indicated it was important or very important. Of significance, there was a gendered difference in response. Although 38% indicated the availability of matching funds was not important or slightly important; 41% of males and 35% of females answered the availability of matching funds was not important or slightly important. While 29% specified the availability of matching funds was moderately important; 27% of males and 32% of females replied the availability of matching funds was moderately important. I do not know why there was a difference in gendered responses.

Matching Interview / Focus Group Sessions

There were a number of respondents through the interview and focus group sessions who identified matching giving initiatives as an incentive to encourage donations. More general comments related to the encouragement aspect of matching was outlined by JVF 08, “this is a proven way to do it. It triggers lots of dollars.” JVF 24 observed, “there is a benefit to matching.
It is a good idea to give potentially more. Give more money to the cause.” Additionally, JVF 20 noted, “matching is icing on the cake.” JVF 12 cited personal motivation, “yes, matching is a motivator for me.” Similarly, JVF 19 shared, 

this is a key fundraising strategy that can work well. If a person putting up a match is going to donate anyway, I am going to take advantage of the extra money. You wouldn’t set up a match you couldn’t meet. It is a sophisticated way of taking one person’s gift and making it into something else.

JVF 37 remarked, “even though I give on a monthly basis, when an organization comes up with a match – it prompts me to give again and make a greater impact.” A couple of participants spoke to the incentive mechanism of matching gifts, particularly gifts given at lower levels. JVF 01 shared, “matching initiatives are a very good carrot to encourage individuals to give at lower amounts. If someone is giving a gift of a million dollars, it is not needed.”

Three participants referenced specific matching programs and their incentive components. JVF 28 shared, “with the United Way, if I gave more than a ten percent increase to my annual gift, then my gift was matched.” JVF 31 observed, “Ryerson had a two and a half matching program. I looked around for newer universities as they gave more matching (a greater match ratio.)” Note - “a two and a half” means 2.5:1 match ratio. Finally, JVM 02 highlighted, 

there was a program in 2001 whereby the government wanted to privatize scholarships. It was named OGS – the Ontario Graduate Scholarship program. The donor committed fifty thousand dollars plus fifty thousand dollars from the university. The government then matched the payout. My donation was spread out over four years. But, out of the gate, the donation was matched. This was totally outside reason. I was motivated into doing something.

That said, there were several respondents who pointed out that matching gift programs did not provide incentives to them. JVF 26 and 34 respectively shared, “this wouldn’t impact my decision to give” and “this wouldn’t have made a difference to me.” JVF 25 remarked,
if I’ve already decided to give – I may make a donation right away to capture the match. I might even give more. The matching influences the timing and the amount. However, I have already made the decision to give to this particular organization.

**Match Ratios – Interview/ Focus Group Sessions**

Match ratios were also discussed in regards to matching as an incentive to encourage donations. The interview and focus group question *what is the optimal match rate to consider giving? 1:1, 2:1, 3:1 or others?* garnered definitive answers. From an overall perspective, fifty-three percent of respondents answered the optimal match rate was one to one. Thirty percent of the respondents’ answers were categorized as other. The “other” answers varied widely from no opinion to non-numerical responses. Five percent of respondents indicated the optimal match rate was two to one. Five percent of respondents answered both three to one and four to one were the optimal match rates. Two percent shared that two and half was the optimal match rate. Overall results and those of men and women were closely aligned.

In describing optimal match ratios, three of the respondents, JVF 06, JVF 25 and JVM 05 answered succinctly, “one to one.” Others, JVF 03, JVM 39 and JVF 32 added respectfully, “one to one is pretty typical match rate. One to one matching is the only one I have experienced.” “Just a one to one rate, nothing else than this.” “I have only seen one to one.” Three participants discussed one to one as optimal match but that it didn’t necessarily have an impact on their gift making decisions. JVF 01 shared, “I’ve never seen anything other than a one to one match. I suppose it depends on the organizations ability to secure funds from the government or another donor. There is no difference to me what the match is.” JVF 36 added, “I believe the standard is that it is doubled, therefore a one to one match is optimal. However, it does not impact from my perspective. I haven’t seen anything great than a one to one.”
Similarly, JVM 18 commented, “I have never seen one that raises to make an argument one way or the other. [My] instinct [is] that the match rate is always one to one.”

JVF 26 identified matching as an incentive to encourage philanthropy, “I haven't seen any other matching programs other than one to one. If I already had interest in the project then I would give to it. For lots of others [donors], it [matching] could be a carrot.”

Three of the respondents, having recognized one to one as the optimal match ratio, discussed the importance of partnerships or the consequence of lesser amounts offered as match ratios. JVM 38 commented,

off the top and my experience, one to one for each partner. Partners need to come with equal amounts. In a two party relationship, we need to give the same. We should be in this together. I am not aware of matching opportunities that feature different ratios.

JVM 22 shared,

if you secure a one to one match rate, you are doing well. This is similar to sales or discounts. If I receive a ten percent discount, I won't buy it. If I receive a fifty percent discount, I will buy it. If there is a one hundred percent discount, I don't believe it. I like a fifty, fifty partnership.

Finally, JVF 09 cited annoyance at a less than one to one rate, “I expect one to one matching. Fifty cent matching is irritating. I love matching programs. Buy one, get one-half off, doesn't work. Matching funds have to be one to one.”

Two respondents identified one to one as the optimal match rate and additionally flagged any greater amount would cause crowding out. Put differently, donors would opt out of, or minimize participation in, philanthropic activity. JVF 17 observed,

I have seldom see anything other than a one to one matching rate. If someone is providing a match with three or four times the amount than why am I bothering? I would feel silly to give with so much matching money. My funding is not needed with such a generous matching offer.
Similarly, JVM 04 acknowledged, “I have never encountered anything other than one to one. I would give less if there was a match greater than one to one. I would reduce the amount I donated if they had more matching fund ratio.”

In response to the query, what is the optimal match rate to consider giving? 1:1, 2:1, 3:1 or others, a few of the participants choose to focus on the lack of influence of matching funds on their philanthropic decisions. JVF 44 noted, “there is no optimal rate from my view. Matching doesn’t affect me.” Similarly, JVF 19 added, “I know it [matching] is a strategy. I know what I am going to give. It doesn't influence me either way. Even if someone is going to give anyway and use it as a match, it doesn't matter to me.”

Lastly, there were a number of participants who didn’t identify a specific match rate. Rather they provided more general comments related to the influence of matching funds on their own philanthropic decision-making. Three respondents forthrightly recognized the topic of match rates had not crossed their minds. Specifically, JVF 20, JVF 45 and JVM 42 respectively revealed, “I don’t know.” “I never thought about it.” “I don’t have an opinion on that.” Three other respondents spoke in more general terms regarding match rates. JVM 13 shared, “I like to see multipliers.” JVF 08 declared the necessity of a minimum amount and period, “the floor needs to be more than ten percent. There needs to be a specific time frame as an incentive from the government.” JVF 11 raised skepticism at larger match ratios, “anything is possible. I am more skeptical if the match is higher than one to one”

Given thirty percent had no opinion ranging from “no opinion” to “caring little about matching”, the results would suggest an important indication of ineffectiveness, or at least less than expected, effectiveness, of the influence of matching initiatives.
The literature addresses match ratios. Karlan and List (2007) undertook a large-scale natural field experiment to assess the popular notion of the greater impact with a higher match ratio. They tested donors at an unnamed charity by separating them into two groups – those who received a matching gift offer and those who did not. Those who receive a matching gift offer were further divided to test for response to 1:1 (or dollar for dollar) matching, 2:1 (for every dollar the donor donates, two dollars is provided through the match), and 3:1 (for every dollar the donor donates, three dollars is provided through the match.) (Karlan & List, 2007; Hall, 2006.)

They found, "at odds with conventional wisdom, we find that larger match ratios (i.e., $3 to $1 and $2 to $1) relative to smaller match ratios ($1 to $1) have no additional impact.” Karlan and List (2007, p.1790.) Further, Gong and Grundy (2014, p. 148) stated that “their experiment directly refuted the integrity of using larger match ratios, and stands in sharp contrast to current fundraising practices.”

Matching and moreover removal of this incentive is addressed in the literature. A field examination was undertaken by Meier. “This experiment tested the effect of a matching mechanisms on donations in a randomized field experiment.” Meier (2007, p. 1218.) There are two key results from this experiment.

First, matching donations increases contributions to both funds in the period in which donations are matched. Second, if the matching mechanism is removed, the proportion of people who contribute to the funds decreases. Especially in the initial period after the field experiment, fewer people are willing to contribute. Meier (2007, p. 1219.)

Still other material from the literature review found Oppenheimer (2015) who reviews various matching gift experiments. Oppenheimer suggests that matching “from an economic perspective, means that the ‘price’ of a donation has been reduced; it only costs the donor a dollar to ensure that the cause receives two dollars (amount increases depending on the matching ratio.) Oppenheimer (2015, p. 206.) They discuss the idea that a discounted cost might inspire
more donations. Specifically, Eckel and Grossman (2003) “demonstrated laboratory evidence that it can, under some circumstance increase donations.” Oppenheimer (2015, p. 206.) However, they also discuss, “the evidence for the ineffectiveness of the matching gift strategy from a number of field studies.” Oppenheimer (2015, p. 206.) Notably, as discussed, Karlan and List (2007) as well as Rondeau and List (2008) both identified matching gifts not having as great an impact as convention wisdom might suggest. Oppenheimer (2015, p. 207) recommends that if, charities are fortunate enough to have fungible funding; they should not use this revenue for matching gifts. Instead, non-profit organizations should use their unrestricted funds to cover overhead costs so that they can apply 100% of donor gifts directly toward the cause.

Warm Glow

The concept of warm glow – feeling good as a result of making a donation was discussed by a few of the respondents in the interview and focus group sessions. For example, JVM 13 commented, “when you know you are making a positive contribution, you feel good.” JVF 29 remarked on the warm glow feeling as connected to matching, “it is nice if matching happens. I just happened to give to a new matching initiative. It made me feel good.” Similarly JVF 24 referenced the connection between warm glow and matching, the approach tickled my vanity. I was already giving a fair amount for general purposes. I was approached to make a larger gift. A gift that would be matched. The endowment fund would be large enough to create a scholarship. It was an amount we couldn't have reached on our own. As it was, it was a stretch gift for us but because that amount was matched, we were encouraged to do so. It created a fund that otherwise would not have been created. I was very pleased to be able to name the scholarship.

JVM 04 shared commentary loosely related to warm glow, cultivation and engagement are important. Fundraisers should look at this as a community. There are constant request for funds. The request for funds often feels too transactional. I feel they have found a plump cow and now they are trying to milk it. Instead of just philanthropy, the goal should be what is the overall engagement or
interaction. Get people's time. The relationship developed is very fragile, you need to take care of it. I am more apt to pull back if something negative happens. I don't give. You need better cultivation. You need to develop a stronger relationship to protect against if something goes wrong. Philanthropy should be seen as one of many benefits.

The literature review featured an incentive to encourage donations through feeling good about their donation, often referred to as *warm glow*. Through the development of a theory, researchers argue that if the motivation behind donation is triggered by the concept of warm glow, then leveraging a rebate offer may make the donor feel less good or “greedy.” Warm glow would be unaffected (or possibly enhanced) by a match subsidy. Bénabou & Tirole (2006, p. 1654.)

The second theory is the warm glow theory of giving; donors receive satisfaction from the act of giving. This theory suggests the act of giving, in and of itself, is the reward.

Donors prefer gifts to be made by themselves rather than others. They consequently view their own $1 contribution as different from a $1 increase in government spending on the charity. The implication of this theory is that government spending results in partial or no crowding out. Bénabou and Tirole (2006, p. 1656.)

**Signalling Effects**

The final set of incentives identified from this study are under the broad theme of signalling effects including crowding in, crowding out as well as skepticism. These were identified through the interview and focus group sessions.

Within the broad-based theme of sending signals, discussion pertaining to the interview focus group question - "to what extent do you believe that philanthropic support is necessary? What is your view of the role or importance of philanthropy relative to government support?" - respondents who referenced this theme typically did so in one of three categories. These categories featured signalling with respect to: gratitude, example setting and importance of an organization. The concept of signalling the importance of an organization or initiative was featured among some of the responses. JVF 36 observed, “if you think the work the charity is
doing is useful and you want them to continue, then you should financially support the organization.” An indication to the government of the relative importance of an organization was also noted by JVF 36 who noted, “we are also telling the government as well what we think is important by where we donate our funds. This sends a strong message to them.” Further, JVM 42 shares, “it is important for legislative purposes. It can keep the government focused. An example of this is an environmental club. They can help stay on top of issues for a better outcome for society.” JVF 08 observes, “there is a political aspect to announce support of X project.” Another respondent, JVF 06, indicates that this is particularly valuable if an organization is not on a priority list, “it helps an organization that might not be popular.”

Crowding in and crowding out of donations were concepts referenced although not specifically named by six of the participants. Four of the respondents suggested crowding in – the idea there is increased interest on account of an action. JVF 20 remarked, “I often donate indirectly. I give because of someone who is involved with the charity. It is easier for me to versus volunteering.” JVF 31 indicated, “since my retirement, I have been more judicious with my giving. I am giving because of a personal connection.” JVM 39 also shared, “I give because I know what they are doing. I know the people involved. I know the staff and volunteers – I understand the money is being well spent.” Finally, the concept of crowding in was discussed in relation to taxes by JVM 02, “taxes are not government matching, rather it is government reimbursement. I can reduce my net cash flow. My giving is therefore not entirely altruistic. The tax advantages grease the wheel for me. It allows me to be more generous.” Two respondents cited crowding out – decreased interest because of an action. JVF 34 inquired, what are the reserves they (the charity) already has? Some charities are already well healed. They have huge bank accounts to fall back on. I removed four or five from my list of charities I give to as they don’t appear to need my money.

Similarly, JVF 36 indicated,
if I am making a new donation or a donation to an organization for the first time, then sometimes I look at the government charitable website. Does the organization have a huge chunk of money from the government? Or does it come from individual support? If the government is supporting the organization so much - should I support them? Do you need my money?

Some of the respondents expressed skepticism regarding the source of funds for matching initiatives. JVF 17 remarked, “I assume they are being truthful when it comes to matching.” JVF 46 inquired, “I am curious, is it just a marketing ploy? Are there actual matching funds available? Or are they just saying there are matching funds?” JVM 10 believed, “matching funds is all in the marketing.” Three respondents directly shared their doubts. JVF 45 remarked, “some matching is true, some is simply recycling money already in the system. I am skeptical that incentives are provided to give. I have cynicism regarding government matching donations - was this a pot [of money] that was going to be distributed anyway?” JVF 12 queried, “I am suspicious of the advertising of it. Is it money the organization has anyway?” Finally, JVF 11 shared, “when I hear about anonymous donor matches, I think the organization had the money anyway - it isn’t new money.”

The literature features various signalling effects. Crowding in occurs when government shortfalls encourage contributions. Government spending or lack therefore, can either boost demand by creating scarcity or depress demand by expanding subsidized supply. Crowding out occurs when individual participation decreases because of an increase in government spending. Andreoni and Payne (2010, p. 1) state

when the government gives a grant to a private charitable organization, do the donors to that organization give less? If they do, it is because the grants crowd out donors who feel they gave through taxes (classic crowd out), or it is because the grant crowds out the fundraising of the charity who, after getting the grant, reduce the efforts of fundraising (fundraising crowd out.).

Bekkers takes this theory one-step further and examines what happens when donors receive contributions to their gifts. Bekkers notes (2015, p. 3)
when donors receive a subsidy for giving, they can no longer attribute their giving to altruistic motives. In that case, donors who have altruistic motives for giving may reduce their giving because giving would endanger their altruistic self-identity. This is called the ‘motivational’ crowding-out effect.

Skepticism is also addressed in the literature. The presence of a match might be met unfavourably given the donor may believe the “matching” funds will be available regardless of whether a donation is made. At best, the potential donor may see this as insincere and thus may ignore or avoid the request for funds. At worst, the potential donor may see this as duplicitous in which case trust and partnership with the organization could be in danger of being lost. Preston (2012a, np) also examined whether or not there is increased skepticism regarding the availability of matching funding shares, “people may question whether the matching money really exists. Would-be donors may also be skeptical of whether a charity really faces a deadline to raise the matching dollars.” This is also discussed by Helms-McCarty et al., 2016; Karlan and List, 2007.

Question # 3.

Question # 3 is the timing, frequency or designation of gifts affected by the presence of matching? Data to answer this question were derived from the survey as well as interview and focus group sessions.

Timing

In response to the interview and focus group question what inspired your decision to making a matching gift, respondents indicated the offer of matching fund opportunities came at an ideal time for them. To this end, they indicated this was the inspiration behind the donor making a gift at that moment in time. They indicated they would have made a gift to the particular organization at some stage, the matching opportunity triggered when the gift was made. For example, JVF 06 and JVF 11 respectively shared, “impacted timing.” “Timing just made matching more effective.” Two participants specifically made the tie between timing and
amounts regarding matching gifts. JVM 04 and JVM 05 respectively indicated, “timing, less so on amount. I gave more because matching was available.” “Timing yes, amount no.” JVM 23 referred to a number of factors behind the inspiration for making a matching gift, “combination of things, such as timing of request, organization, amount being matched and sometimes the source of the match.” A further two other respondents indicated matching really impacted the timing of the gift. JVF 03 remarked,

size of the match has no impact on me. I only give within my means. Matching funds only changes the timing of the gift. I will take advantage of the match and give at a different time of the year. I will not change the organization I give too, the designation of the gift and certainly not the amount. The impact is only on the timing.

JVF 09 observed,

I don’t always do it. I only participate in matching programs, if it comes at the right time. I give because I want to. Matching funds will not get me to give a gift if I don’t want to or if it is the wrong time.

JVM 38 commented, “matching encouraged me to give at the time and an amount I would have otherwise given. Timing was key. There was an initial burst of interest. It is hard to disaggregate the specific causality.” JVM 39 couldn’t remember giving stating, “did I make a matching gift? I am confident that matching makes no difference. It might change the timing but not the amount. Budgets are fungible. Matching is more psychological than actual. This is a nudging strategy.”

Timing was addressed in the literature. Bénabou & Tirole (2006) developed a theory that signals the appropriate timing of gifts to the organization and that indicates the presence of matching funds impact when a gift is made. This theory suggests that more people will give at a particular time. The theory however is not able to predict whether the amount of money donated will increase or decrease given the time-limited access to the matching funds. This is also

**Frequency**

Surprisingly to me, frequency of giving as related to matching opportunities was not identified through the interview and focus group sessions apart from two negative references regarding frequency of asking for matching gifts. While the question was not asked directly, I would have thought more of the respondents may have identified frequency of giving as being impacted by matching opportunities. Specific references in the interview and focus group sessions include: JVM 41 cited they wouldn’t be impacted by matching and further frequently employing the technique of matching to secure more funding can be a source of irritation, matching usually doesn't affect me. I do the *Ride for Heart* every year. In the month of May, in the lead up to the ride, I received thirteen emails to donate more and leverage matching funds. I was asked to bug my friends and do so by x date. This bothers me. There is too much bothering. This is how much I am going to give. I am not going to give more just because you send me many emails. Here you have just given at the end of year and then two months later, I am asked again. Key finding, please don't bug me. Don't go back to the well too often. I don't want to have to shell out, shell out. It is a real pain in the neck. Since then I keep receiving the headlines, double the impact, receive a fundraise match, double your fundraising efforts; only three days remaining. When and how much I have decided to give, is what I will give. No amount of bombarding emails with change my mind.

Similarly, JVF 46 noted,

very rarely. I give so much every month, I have a file of all my donations. Everyone wants you to give so much per month. The fundraising drive wants the money then. I like to spread them out, spread out my giving. I always give in X month. That is when I am going to give. The match is unlikely to persuade me. Rarely, perhaps occasionally if something is very special. It really happens more out of coincidence.

I did not find any references to frequency of giving and its relation to matching gift opportunities in my literature review.
Designation

Is the designation of gifts affected by the presence of matching? Data to this question were derived from the survey question *if matching funds are available, do you want the opportunity to designate your gift to a specific initiative?* 63% answered yes; 17% answered no and 18% answered they did not know. There was no discernible difference with the gendered response. I found this response interesting. There is a strong signal toward the desire to designate funds, and yet, during the government funded matching programs that these respondents would have been part of, they did not have the opportunity to designate their gifts. In order to secure the match, gifts were required to be designated toward student financial aid thus removing the donors’ opportunity to designate. Was it the case that the government matching program was so new and the offer of leveraged funds relatively novel that the donors waived their desire to designate in lieu of extra funds? Or was the designation student financial aid tolerable enough to forego choice? I did not find any references to gift designation and its relation to matching gift opportunities in my literature review.

Data to this question were also derived from interview and focus group sessions. The question – *would you have made a larger or smaller gift if the purpose were something other than student financial aid* – revealed information about donor’s preferences with respect to designations. For example, JVF 01 remarked, “I want to specify where the fund is going. I want to have the option to say where the funds need to go.” Similarly, JVM 22 said, “I want to designate my gifts. I want to direct the funding.” JVF 37 and JVM 14 while not as adamant expressed similar aspirations respectively. “If possible, I prefer that money I donate can be used for specific purposes versus generic funds.” “The ask and subsequent gift, needs to have a specific designation.” Another one of the participants shared an experience from a workplace
fundraising initiative related to designation of charitable organization and by extension giving. JVF 29 shared, “I want to choose the charities I support, not told to give to X charity. I don’t agree with X charities tactics. I’ve been hauled into a deputy minister’s office and told to give to X charity.” JVM 05 acknowledged, “I prefer to support financial aid. I want to focus on access. I have heard so many sad stories of tremendous students who were not able to attend university.” JVF 27 noted, “the designation matters. I want to know where the money is going. I want the choice, with matching it is usually something specific. I do not give to the area of greatest need.” JVF 33 observed, “specific designation really matters. I do not want to give undesignated gifts. I need to know where funds (my donations) have gone.” These responses are interesting in relation to the government funded and designation directed matching program. It is unclear if donors such as JVF 27 and JVF 33 were comfortable enough with student financial need as the designation to support the initiative financially. Perhaps the uncertainty was mitigated by a direct request for student financial need that would then trigger matching funds if donated in a certain timeframe.

A few respondents specified that yes, designation matters and additionally articulated specifically which project or initiative they would prefer the gift support. JVF 31 remarked, “if I don’t give to student financial aid, I would designate to the president’s fund. I trust his judgement.” Interesting comment from JVF 31 as the issue of trust arises. Student financial aid was chosen by the government as the designation. In the absence of this, is another “authority” needed to select a designation? Is it the case the donor more recently had a choice of designation when making a philanthropic gift? It appears the next two respondents tied their answers to their experiences as students. JVM 21 said, “an ask for infrastructure would also (in addition to student financial aid) work for me. I could never find anywhere to work. The library needs
more space. I’d donate to that so others could have a quiet space to work.” In addition to sharing which project JVF 34 wanted to support, they also included why,

designation matters to me. I want to focus on student support. I managed to get through school by applying for every single last scholarship, grant, bursary etc. It is important that higher education is not seen as a luxury only available to the wealthy. How much brain power have we failed to capitalize on because someone didn't have access to education?

Other respondents answered no, the designation does not make a difference. JVF 19 indicated, “No. Specifically, for education, the designation simply needs to appeal, not for student scholarships, it doesn’t shadow over anything else.” JVF 26 remarked, “other projects are important too, not just student financial aid. Projects such as endowed chairs, programs, projects within departments.” Similarly, JVF 36 noted, “I don’t designate. I give to where the money is most needed.” JVM 07 observed, “designation for me is not relevant.” JVM 23 shared, “regarding the designation, I’d probably give to something else. The range is huge for what I’ll support. I can’t generalize easily. Idea of need for the designated charity is the power behind the gift.” JVM 02 observed,

designation does not make a difference as long as I can identify with it. I give to undesignated support. It does not matter to me if it is student aid or generic. It is the organization that matters to me. The people in the organization matter.

JVF 29 also indicated,

I don't like to designate. The broader, more general the designation, the better. I trust the organization to spend the money the right way. I like to support programs vs. research. I like to give the organization the freedom to use the funds where it is necessary. Trust is important.

JVM 35 underscored designation was unimportant and that pursuit of a scholarship was in response to the organizations request, “this is what they suggested. This amount was enough for a named scholarship, the designation doesn’t really matter. I have a large pending bequest that likely signals designation does not matter.”
Finally, a number of the respondents answered it depends on the designation whether or not a gift would be given. JVF 09 shared,

depends. I don’t want to support something vague or non-specific. I want to support someone’s education. I got through university by support from OSAP – Ontario Student Assistance Program. I want to help someone else get through. I believe we can build a better society through education.

JVF 17 shared projects that would and would not be supported, “depends on the designation.

Student support is very important to me. I also support the general fund or libraries. I will support almost anything except athletics. I would not support a new football stadium.”

JVF 32 observed,

depends on what they are asking for. Student financial aid is really important. If I thought others were giving. I may not. It is a judgement call whether or not to take advantage of matching. If you trust the organization and because they have identified it as an area of significant need, it might cause me to make a donation. It might attract one. It needs to be an area of interest.

No Idea

In addition to data related to timing, frequency and designation of gifts as affected by the presence of matching, some interview and focus group respondents had no idea why they made a matching gift. For example, JVF 15 and JVF 26 respectively observed, “I don’t know. I never thought of it. Likely because you asked for my support.” “I can’t remember circumstances whereby I gave to a matching gift initiative.” Two other respondents also couldn’t determine why a matching gift was made but speculated that it must have been an individual linkage, JVF 19 and JVF 20 noted respectfully, “it must have been something for me that made it personal.” “It was probably a personal connection. I don’t know why I gave to a matching initiative.” Still two other participants likely gave given they have been donating to the university for a long time. JVM 13 both observed, “since I graduated, I have been giving. I didn’t even notice if there was matching – that’s nice, a bonus.”
No material within the literature review discussed the lack of knowledge or awareness behind decisions to make gifts that would trigger matching gifts. If it is the case that some respondents had knowledge of making matching gifts, then it is more difficult to make the case that matching gifts influence their philanthropic decisions.

**Question # 4.**

**Question # 4 what kinds of gifts are most amenable to certain incentives (for example, buildings and naming)?** Data to answer this question were derived from the survey.

The survey question - *if you were to designate your gift, what type of initiative would you designate it toward* – is the question that most closely answered this question. General responses for probably or definitely, from lowest percentage responses to highest percentage response includes: capital projects – 21%; programming – 39%; area of greatest need – 67% and scholarship support – 69%. The gendered response of probably or definitely *if you were to designate your gift, what type of initiative would you designate it toward* was dissimilar for three of the four feedback options. While 21% responded they would designate their gifts to capital projects; 27% of males and 14% of females answered they would designate their gifts to capital projects. 39% specified they would designate toward programming; 35% of males and 44% of females answered this way. Although 69% indicated they would designate to scholarship support; 65% of males and 73% of females answered they would designate to scholarship support.

Interesting to me, discussions regarding gifts that are most amenable to certain incentives did not surface during the interview and focus group sessions. Although, admittedly this question was not asked directly of the respondents.
I did not find material in my literature review that addressed examined what kinds of gifts are most amenable to certain incentives. University of Toronto in developing its plans for a matching program did not take this into account. Perhaps the university was unaware of the types of gifts that might encourage incentives. More likely the university responded to an institutional planning process whereby the academic divisions identified initiatives where further funding was needed. According to an October 3, 1995 memo to Planning and Budget, the university aimed to increase the return on the University’s investment in the Endowed Adjustment Fund (EAF). The EAF was to be deployed to attract more private financial support for the University by using the EAF to match gifts for endowed chairs. Through this process, many divisions also identified financial support for graduate and undergraduate students a priority. OVPAVP (1995, p. 1.)

And thus the university created a matching program, similar to the provincial government, a full six months ahead of the government’s matching program for need-based student awards. It is unclear the motivation for the government pursuing student financial aid as the kind of gift that would be amenable to a matching incentive. Speculation would suggest that given there was approval for an increase in tuition fees, greater demand would be on the OSAP program (Ontario Student Assistance Program) a government funded program. By the government focusing its efforts on student financial aid, should the universities be successful with this program, it would then be likely the government would eventually have less demand on its student financial need resources.

Question # 5.

Question # 5 to what extent does government-initiated matching advance public policy? Data to answer this question were derived from the interview and focus group sessions.

While not asked directly, those that generally believed government-initiated matching would advance public policy are highlighted. In response to the interview and focus group
question - *what is your view of the role / importance of philanthropy relative to government support* - respondents had differing viewpoints as to what role the government should and should not have concerning philanthropy. Many expressed the view that the government cannot be responsible for funding all initiatives. There are simply too many appeals for government resources to satisfy demand. Indeed, JVF 20 said, “you can’t expect the government to fund everything over and above what the government already does.” JVF 28 and JVM 23 shared, “government can’t give to [support] everything.” Further, JVM 05 stated, “you can’t count on the government to foot the bill. They are running large deficits. There is a real crunch on their demands. They can’t do everything.” With respect to these respondents view pertaining to whether government-initiated matching advances public policy would likely be minimal as the government may not be able to participate in such initiatives given lack of resources. That said, should the government decide to dedicate limited resources to a matching program, this would be a strong signal as to the importance the government place on the initiative receiving matching funds, and hence, their ability to advance public policy.

Others took the view that government support related to philanthropic organizations is subject to favouritism and thus not necessarily effective, at least not with all not-for-profit organizations. JVM 07 noted, “different political parties take a different approach as to how they dole out money. It is difficult to keep everyone happy.” Put slightly differently, JVF 24 observed, “the government directly supports those initiatives they find important.” Another response outlined a specific consequence as JVM 22 observed, “government support has a biased perspective. For post-secondary institutions, the government only supports what they believe is employable disciplines.” Similarly, JVF 06 stated, “I don’t want the government to determine
what the university does.” With respect to these respondents view whether government-initiated matching advances public policy, it likely would given government chosen initiatives to support.

Some of the respondents expressed disappointment regarding their view that government could and should do more with respect to philanthropic organizations. JVF 17 indicated that they “would like government to do more.” Another observed, “the government is not as generous as I’d like them to be.” (JVF 09.) Still another was more directive in terms of what role the government should play. JVF 27 stated, “if the government could make it so individuals did not have to live in poverty, that there was a guaranteed minimum income, it would be better for all.” These respondents clearly viewed government initiated matching programs would advance public policy.

Highlighting one of the many roles of government, JVM 43 observed, “government has social responsibilities. Government funding of initiatives should have universal benefit.” Both government and individuals were flagged as crucial partners. One of the respondents flagged the tension of the view of the others role or lack thereof. JVF 34 suggested, “both individual donors and the government both believe each other should be doing more.” Others focused on the need for shared responsibility. JVF 26 shared, “government and individuals are both necessary with respect to philanthropy.” JVM 02 said, “the sentiment is, if government pays, we don’t need to. There is room for both – government and donors – both should contribute.” JVF 12 stated, “government should have some skin in the game.” JVM 42 shared,

philanthropy also allows support of initiatives that the government also supports. This could supplement initiatives. Higher education is like this. While the government supports higher education, resources are limited. Individuals to the extent they are feeling good about it, can tribute.

JVM 32 noted the signalling impact to the government, “this is my vote to the federal government on how money should be spent. Through my donation, I signal that a particular
cause is important. I want the government to do the same.” Finally, JVF 15 also shared, “the government provided matching support. This is a terrific thing for the government to provide this type of support.” These respondents also believed government initiated matching programs would advance public policy.

Not all of the respondents believed government initiated matching programs should advance public policy. Or perhaps put differently, many believed that government should be using funds differently. Such as, JVF 44, who noted, “I am torn regarding government matching. It doesn’t draw me in. I am not sure this is a good use of government funds.” Similarly, JVM 04 queried,

the source of funds matters to me. Are these funds they already have? If I know the matching funds are coming from private sector, it is much better. If it is the government, they should not be using the funds for this.

Other respondents took a different approach by differentiating the roles of government versus philanthropy. JVF 32 observed,

I don’t think government should do it all. The government has a myriad of interests they need to be responsible for, not all of which may be of interest to me. Donors can focus on areas that are most important to them.

JVF 45 further articulated this point by sharing, “government should provide essential services. As resources don’t meet need and demand, then we need to turn to philanthropy to make it a better society.” JVF 33 remarked, “much of the government support is dropping so that we all need to contribute what we can.” Taking this even further, JVF 25 declared, “it is not the primary responsibility of the government to support charities.”

The role of choice, the decision makers and potential consequences were also discussed by several of the respondents. JVM 04 shared, “the government more broadly shouldn’t determine what or who gets support.” JVM 39 observed,
government support is clearly a public good. If taxes are going to be raised, services should be for everyone, such as roads, sewers etc. Support for the symphony is not the same. Support of the symphony is a donor’s preference, such as, they like music.

Three of the respondents referenced the source of the match in response to the query, *are there any other aspect of philanthropic giving and/or matching gifts you would like to comment on?*

JVF 19 commented,

> matching gives choice. I am more inclined to give when there is a match. I am more inclined to match if the source is personal or corporate vs. the government. I'd rather match with a person vs. the government.

JVF 45 raised skepticism regarding the source of matching funds, “it is unclear if government matching is new money or redistributed? It is cause for cynicism.”

The literature review features government initiative matching programs as advancing public policy. Governments have also served as the source of matches to philanthropic gifts. Public funds are used to match donations and the overall initiative is typically highly regulated with specific parameters such as match timing, ratio amounts, targeted recipient programs and detailed reporting requirements. Evidence of this type of support can be found globally. A study was commissioned by the Sutton Trust in 2004 to understand the effectiveness and characteristics of government funded matching gift programs from around the world. Some of the highlights from the study included: “evidence of some twenty-four states in the United States featured government matching programs.” CASE (2004, p.5.) Outcomes from these programs often included increased amount and number of donations. According to the report,

> the history of American philanthropy suggests that donors will make private gifts to higher education without the incentive of a matching program. However, an opportunity to double, or in some case, triple the dollar value of a gift provides donors with powerful incentives. CASE (2004, p.16.)

Evidence of matching programs was also found in other jurisdictions including Hong Kong (HK) and Singapore. Starting in 2002 and running for the next several years, the Hong Kong
government undertook a concerted effort to broaden support for post-secondary education through three key targeted initiatives. These initiatives were: provision of seed funding to build fundraising capacity at HK universities; increase of the ceiling for tax-exempt donations from 10 percent of income to 25 percent; as well as a HK $1 billion 1:1 matching gift program. CASE (2004, p.12.) The Singaporean government started earlier than the HK government, implementing an initiative entitled the University Endowment Fund. This was established to encourage philanthropic support of two institutions – the National University of Singapore (NUS) and the Nanyang Technological University. Implemented in 1991, this program featured a 3:1 matching ratio. By 1995, this program had raised in excess of $50 million. CASE (2004, p.14). Then NUS President and Vice Chancellor Professor Shih Choon Fong credited the fundraising success to increased private support from alumni but also to “public philanthropy” as enabled through the government matching program. CASE (2004, p.16.)

Garrett and Rhine (2010, p. 105) discuss the relationship between government spending and charitable contributions suggesting this is a function of donors’ potential motive for giving. They explore the likelihood donors are aware of tax policies and overall government spending policies and practices.

If politicians and government officials can create a fiscal illusion with respect to the size of individuals’ tax bills and the targets of public expenditures, then the predicted effect of government spending on donations can be quite different than it would be if individuals had perfect information regarding the taxing and spending activates of government. Garrett and Rhine (2010, p. 105.)

I was not surprised by these findings. Respondents answered that government-initiated matching programs both did and did not (should not) advance public policy. This likely aligns closely with their individual views as to the role of government and their view of the appropriate expenditure of public funds.
Chapter Summary

This chapter featured an analysis of the results. The next chapter, chapter seven will discuss the conclusion and implications.
Chapter 7: Conclusion and Implications

This study sought to understand better the impact, if any, of matching funds on philanthropy. Are they a help or hindrance? Typically, philanthropy and, in particular, matching programs are seen and studied as bilateral relationships between donors and institutions. Institutions make plans and set priorities for raising funds, identify and approach donors whom they believe will be receptive to their “cause.” Donors, who may be solicited by other institutions to support either the same or different causes, then respond or not depending on their wherewithal and particular interests.

The object of this study was a trilateral approach to fundraising that involved the government as well as institutions and donors. This raised questions about how donors respond to agency relationships and the triangular inter-relationships between the state, the academy, and the philanthropic market in raising funds simultaneously in the public interest and institutional interests. It is in this context that Salamon speaks about “the third sector” and Burton Clark describes the “triangle” paradigm for which he is well known.

I undertook a case study which included a survey, interview and focus group sessions. The case study featured donors to the University of Toronto who participated in a matching program between the years 1995 and 2005. The provincial government funded a matching program in support of student financial need during this period. The rationale for selecting Ontario and the University of Toronto are multi-fold. The matching program was trilateral – matching funds were provided both from the province and the University of Toronto – triggered by an initial donation from a University of Toronto donor.

The University of Toronto, coincidentally, leveraged the matching gift program provided by the provincial government. The Ontario program is an example of what is known as
“particularism” in public policy. Prior to introduction of the matching program, the government allowed universities greater discretion to set tuition fees. As a result of this discretion, all universities increased their tuition fees, thus raising the cost of government-funded financial aid. The government could have raised taxes to meet the additional cost or insufficiency in funding financial aid or it could, as it did, allow taxpayers to make a choice about directing what otherwise would have been a tax to a public policy priority.

In the case of the Ontario matching program, because it was trilateral, with the government as a “matcher,” public tax policy went a step further with regard to incentives and donor preferences. Most matching programs to that point did not involve government.

Although various policies and practices regarding charitable giving go back hundreds of years, matching programs are relatively new. Given this, there is little known about them, especially when government initiates them. Assumptions are being made about them nonetheless. As little is known about them, I believed it was important to study their current relevance, whether or not they produce the intended results, and, whatever the results are, how they work. As a general problem, two formative overall research questions were kept in mind.

1. In what way could the government-initiated program in Ontario be seen as a harbinger of a return to a robust “third sector” between public and private? As well as 2. Using Clark’s triangle as a paradigm, how could the matching program be seen as affecting the shape of a system of university education like Ontario’s?

Beginning in late 1960s, the predominant leg in terms of resource dependence in Ontario was that between the state and universities. The linkage was “tight” or short in the sense that through formulaic grants and regulated tuition fees, the province controlled the vast majority of revenue that reached the institutions. The university-market leg comprised essentially two
markets: enrolment and fundraising. Prior to matching programs such as OSOTF and its successors, the state’s involvement was a “loose” or long arrangement of tax exemptions and tax credits. The level of tax credits and the consequent tax price was set by federal government. There was no provincial policy aimed expressly at expanding philanthropy in the university sector. The university-market leg was, thus, dominated by market competition with little involvement of the state. Priorities for fundraising were determined autonomously by each university. The amounts raised, however, as a percentage of total institutional revenue was small, and, for that reason, did not affect the shape of the provincial system significantly. To the extent that it did, it was the result of fundraising priorities and efforts set by universities acting individually.

The OSOTF matching model introduced two changes in the provincial triangular linkages. The state-university leg became “looser” in resource dependence terms in that the government chose to direct less public funding to the institutions for the cost of need-based student financial aid. The state-market leg became “tighter” in three senses. First, the province determined the cause: the match applied only to gifts directed to need-based financial aid for Ontario students. Second, the state determined the one:one match, presumably on an assumption (later confirmed by the Rae report) that the ratio would generate the revenue necessary to meet the additional cost of student financial aid. In other words, the amounts raised made a difference in terms of advancing public policy. Third, the province required that the gifts be endowed and not spent as expendable revenue. In other words, the effect was meant to be long-term. For the period during which the OSOTF and its successors were in place, institutional behaviour was as Clark’s triangle would have predicted: private giving for need-based financial aid rose. The endowments are still in place. Absent the matching program,
fundraising as a percentage of all institutional revenue in Ontario has remained flat. COU (2018, np.)

Absent the matching program, the government was doing nothing insofar as charitable giving and universities were concerned. Neither the universities (academe) nor donors (market) received any special tax benefit. In other words, the state-academe leg and the state-market leg were long or “loose.” The academe-market leg, however, was relatively short, because universities had to market themselves and their “causes” to donors and compete with other charitable institutions in that market. There was a lot of room for particularism. If the shape of the triangle changed, with other conditions remaining the same, the change would be the result of behaviour along the academe-market leg.

The matching program introduced restrictions (as opposed to changing the tax benefit). The “cause” was limited and defined by the state. Gifts had to be endowed, not spent. Student eligibility and financial need was defined by the government. This, you could say, shortened the state-market leg. The state controlled the market incentive. By taking “cause” out of the hands of academe, the state also shortened the state-academe leg and lengthened the academe-leg.

The ambivalence of many respondent donors, to this study, indicates that, in Clark’s terms, there is a limit in the degree to which the state-market leg of the triangle can be tightened to advance public policy goals. Even when the state seeks to influence the state-market leg, the university-market leg is still strong in the sense that institutional performance still makes a difference. From my study, donors seemed unconcerned or even unaware about the endowment requirement. Further, the results of my study show that donors were motivated favourably by the cause (scholarship support) and somewhat so by the match.
Why is this research important? What did this study do? First, the data were analyzed. The interview and focus group sessions were in addition to the survey. Moreover – secondly - this is important work as there is not much a priori research and theory on the subject. Third, there are two contributions: (i) the thesis exposes the problem of little research and provides direction for future research. (ii) The contribution to practice is significant. These findings will impact fundraisers and charitable organizations as they seek greater philanthropic support. These findings will assist donors is having a greater understanding as to their philanthropic decisions. These findings will also impact governments should they chose to pursue matching funding as a public policy lever.

So what does this mean for governments considering matching as a public policy lever? Is it possible to change philanthropic behaviour based on the presence of matching? The evidence is less convincing than conventional wisdom or anecdotal evidence would lead one to believe. Some potential characteristics of government funded matching programs to consider include: donor resonance with the cause or project to support; universality of project, less specificity; the greater the sense of urgency the better; limited-time (availability of funds); limited use of matching programs; no greater than a one to one match ratio; clarity around the source of match; rationale for the match (not simply a redistributed fund) among others.

Further Research

This study built on existing literature that undertook theoretical and fieldwork experiments examining the role of matching funds versus rebates and other forms of tax incentives; impact of match ratios as well as matching gifts and unintended consequences. The concept of matching raised many questions for me. Do the responses of donors change based on the source of matching funds apart from the amount of the match? Similarly the age, socio-
economic background and/or history of giving by the donor may yield different views on the subject. For the purpose of this study, alumni donors were examined. Prospective research could feature other types of donors: non-alumni individuals, corporations or foundations. Further research would also benefit from a more focused attention to gendered responses and rationale for response, for example, source of match, match ratio, gift designation.

In addition to the donor component to leveraging matching gifts; what about the match provider? What are their motivations? Is it pure altruism? Is it an attempt to manipulate an outcome? Is it to distract from other initiatives, and redirect priorities to interests of the match provider? What is the impact of governments providing matching funds for student financial need while not providing funds for other initiatives? Finally, researchers struggle with the say/do phenomenon. Robust answers were provided by participants. I had to take at face value how they said they did/would react is how they actually would react, as might be done by tracking the fundraising performance of participants in this study longitudinally through another round of fundraising activity.

**Dissemination of Results**

Given to date that there has been little scholarly or practitioner study of the role and effect of matching funds, this research provides information for charities, donors, and governments alike. Much of what was known to date about matching is anecdotal, conventional wisdom or understanding through an in the moment solicitation experience. The outcome of this study provides valuable information to charities to focus its efforts in being more successful in securing philanthropic funds. Emphasis on the cause, the purpose the donation will support was paramount in the minds of the participants of the study. Outcomes from this study could also be of assistance to donors in helping to clarify how they undertake philanthropic decisions. It is
hoped this information will be widely shared with fundraisers. This study could also serve as a public policy tool for governments in deciding how best to support public organizations and pursue public policy objectives.

**Concluding Remarks**

The thesis aimed to provide the reader with general background on philanthropy, a brief overview of some of the relevant literature, an outline of the field research undertaken, an examination of some of its implications and some further questions to consider. I believe that all of these goals were met.

This study sought to understand better the impact of matching funds. Are they a help or hindrance? Overwhelming support for, or against, the necessity of matching funds was not secured from this study. The ambivalence of some of the respondents regarding matching suggest that donors were motivated favourably by the cause (scholarship support) but only somewhat so by the match. In other words, “cause” and “match” are not synonymous.

Through survey, interview and focus group sessions, I was privileged to secure meaningful feedback from participants in this study. There is feedback that warrants repeating. JVF 12 cautioned the need to be selective with matching funds,

> be careful not to use matching for all campaigns. Too much usage can cause fatigue. Perhaps use other strategies? Matching shouldn't be done so often so that donors expect it or becomes fatigued by it.

Finally, Karlan and List (2008, p. 261) make a striking observation, “the impact of matching is not straightforward.” Karlan and List (2008) conclude further that the popular literature of fundraising literature is long on advice and accepted wisdom but largely unsubstantiated by “hard facts.” This is confirmed by my research. Certainly the conventional wisdom is that matching funds are effective incentives for encouraging philanthropic giving, yet
there is not overwhelming support for this in my research. While matching can encourage philanthropic giving in some circumstances – particular with respect to timing, accelerating the timing of one’s donation to capture the match, matching will not be leveraged if the donor was not supportive of the cause or organization. Meaning donations do not occur solely because of matching – there are a myriad of factors that influence a donor’s decision to take advantage of this type of multiplier. Perhaps interview / focus group participant, JVF 20 said it best when indicating, “matching is icing on the cake.”


Perry, G. (2014) How to ask your donors for feedback so they’ll love you even more. *Fired Up Fundraising*.


University of Toronto, Office of the Vice-Provost and Assistant Vice-President (Planning and Budget) [OVPAVP] (October 3, 1995). Endowed Adjust Fund Matching Program Memo. Retrieved from the University of Toronto Governing Council archives.


Appendices
Dear David:

I write to follow-up on various conversations we have had regarding my proposed dissertation examining the impact of government matching funds on philanthropy. Given the decreased funding through government grants and the pressures on governments to resist increasing tuition rates – it is likely there will be a continued and perhaps increased reliance on philanthropy to help fund post-secondary institutions. Is there a way in which to encourage further giving? Do matching funds impact a donor’s decision to give by designation, amount or other parameters?

Specific focus will occur on the matching programs funded by the Ontario government through 1995 – 2005 at the University of Toronto. Matching funds were provided to post-secondary institutions to encourage donations for students needing financial aid and who demonstrated Ontario residency requirements. No other restrictions were put on this program making it an interesting case study to examine its impact on motivating philanthropic giving.

Donation data will be analyzed to identify patterns. Survey work and interviews will be undertaken to determine if this matching program affected philanthropic decision making such as whether or not to give, designation and amount donated.

I’d like to confirm with you some circumstances related to my research:

1. While I did undertake direct fundraising / solicitation activities during the timeframe that is being examined, I am not currently involved in fundraising / solicitation activities.

2. In order to research the individuals who participated in matching gift programs at U of T from 1995 – 2005, you have authorized that I can have access to records found in the Arbor database that will identify donors to these programs. Direct access to the Arbor database to do this type of analysis is not possible – and thus – you have assigned the Director of Business Intelligence and Analytics to work with me to secure access to the appropriate files.

3. The Director of Business Intelligence and Analytics initial review of the donors who are eligible to participate in the above described research reveals that there are 22,884 alumni records. For context, for the end of Fiscal 2016, the current alumni count is 557,625.

4. In order to contact individuals to participate in this research, I will do so through use of email and mailing addresses. The number of connectable alumni records eligible for participation in this research is 22,839.

5. The Director of Business Intelligence and Analytics has assigned codes to these records to ensure anonymity is preserved until such time individuals choose to self-identify interest in participating in this research.

I look forward to undertaking this important research and will keep you apprised of my progress.

Kindest regards,

Kadima Jamison

Please sign to acknowledge you have read, and agree with the above circumstances related to my research.
Dear Nadina,

The Division of University Advancement (DUA) is interested in the impact of government matching funds on philanthropy. Matching gifts is an initiative whereby additional money is provided (or matched) with particular limitations (donations made within a certain time period or toward a particular project etc.)

In order to better understand the impact of government matching funds on philanthropy, DUA has partnered with a doctoral student at the Ontario Institute for Studies in Education/University of Toronto who is conducting this research as part of her doctoral thesis.

You are being approached for participation in this study given you are (or have been) a donor to the University of Toronto and that you participated in a matching gift program between the years 1995 and 2005.

The focus of this study is on matching programs funded by the Ontario government through the 1990’s and early 2000’s at the University of Toronto. Matching funds were provided to post-secondary institutions to encourage donations for students needing financial aid and who demonstrated Ontario residency requirements. No other restrictions were put on this program making it an interesting case study to examine its impact on motivating philanthropic giving.

Your contact information has not been shared with the doctoral student. Participation in this study is completely voluntary and participants will not be identifiable in any reporting of the findings. You are free to decline to answer any question(s) you do not wish to answer and are free to withdraw from the study without explanation at any time. All information gathered before withdrawal will be deleted and not included in the study.
Appendix C – Survey Questions

(Self-completed web-based survey)

Are you willing to participate in the study?
Yes/No

1. You are how old:
   a. 25 – 34 years
   b. 35 – 48 years
   c. 49 – 60 years
   d. 61 – 74 years
   e. 75 or older
   f. do not wish to say

2. You are:
   a. Male
   b. Female
   c. Other
   d. Do not wish to say

3. Why do you give? [strongly disagree; disagree; undecided; agree; strongly agree]
   a. Because you were asked
   b. Compassion for those in need
   c. Personally believe in the cause
   d. Individuals associated with the cause
   e. Give back to the community
   f. Matching opportunity

4. What factors go into your philanthropic decisions? [strongly disagree; disagree; undecided; agree; strongly agree]
   a. Belief in cause
   b. Belief in organization
   c. Belief in the leadership of the organization
   d. Connection with people within the organization
   e. Opportunities for matching

5. When undertaking the decision to make your gift, how important was the availability of matching funds?
   a. Not Important
   b. Slightly Important
   c. Moderately Important
   d. Important
   e. Very Important

6. If matching funds are available, do you want the opportunity to designate your gift to a specific type of initiative?
   a. Yes
   b. No
c. Do not know  
d. Do not wish to answer

7. If you were to designate your gift, what type of initiative would you designate it toward?  
[definitely not; probably not; possibly; probably; definitely]  
a. Area of Greatest Need  
b. Capital Projects  
c. Programming  
d. Scholarship Support

8. How likely are you to leverage different sources of matching? [definitely not; probably not; possibly; probably; definitely]  
a. University Funds  
b. Government Funds  
c. Other Donors

9. Would you give more (or less) money if you knew matching funds were available?  
a. Yes  
b. No  
c. Do not know  
d. Do not wish to answer

10. Do you think it is a good use of the government’s money to encourage philanthropic giving by providing matching funds?  
a. Yes  
b. No  
c. Do not know  
d. Do not wish to answer

11. Would you encourage other donors to leverage matching gift programs?  
a. Not At All Likely  
b. Slightly Likely  
c. Moderately Likely  
d. Quite Likely  
e. Extremely Likely

I want to explore some of the findings of the survey in greater depth. For this reason, I want to interview some willing respondents or invite them to participate in a focus group discussion with other donors. Participation is again completely voluntary and participants will be free to decline to answer any question(s) they do not wish to answer. Participants will be referred to only by non-identifiable pseudonyms in any reporting of the findings. With participants’ explicit consent, both the interviews and focus group discussion will be audio-recorded.
Until the data are aggregated participants may withdraw from the interviews by notifying me by any means and their information will be deleted and not included in the study findings. Participants in focus group discussion may withdraw without explanation or penalty by simply leaving the discussion at any time. However, because focus group discussions involve a number of members it will not be possible to delete any previous input to the discussion.

If you are willing to participate in this aspect of the study, please send me a separate email stating that you are willing to participate in either one, or both, the interview if selected, or the focus group discussion and I will respond to arrange for an appropriate time and place for us to meet.
Appendix D: Focus Group / Interview Consent Form

Thank you again for completing the survey on the impact of matching funds on philanthropy. This survey is part of the research I am undertaking as part of my doctoral thesis work at the University of Toronto’s Ontario Institute for Studies in Education, under the supervision of Professor Dan Lang.

You kindly agreed to provide me further assistance by participating in a focus group or interview.

Before the beginning of the interview/focus group discussion, I will re-review the following and ask you, the participant, to sign the consent before our discussions begin.

Participation in this study is completely voluntary; no participants will be identifiable in any reporting of the findings; only non-identifiable pseudonyms will be used. Participants are free to decline to answer any question(s) they do not wish to answer and withdraw from the study without explanation or penalty by stopping the interview or leaving the focus group discussion. Interview participants may withdraw from the study anytime until data are aggregated by letting the researcher know by any means and all information previously provided will be deleted.

With participants’ consent, the discussion will be audio-recorded.

I understand the terms of my participation in this study and AGREE to participate:

O  Yes   O  No

I AGREE to have the discussion audio-recorded  O Yes   O No (only those who agree to audio-recording of focus group discussion will be able to participate in that aspect).

Name: ______________________________________

Signature: __________________________________

Date: ______________________________________
Appendix E - Interview / Focus Group Discussion Guide / Questions

Philanthropy – General

1. To what extent do you believe that philanthropic support is necessary (for student financial aid?) What is your view of the role / importance of philanthropy relative to government support?

2. What are your expectations of the organizations in which you support? How do you define your interaction with a philanthropic organization as satisfying? How can an organization best demonstrate to you the impact of your gift?

Philanthropy – Matching

3. What do you know about matching programs?

4. What inspired your decision to make a matching gift?

5. Did the matching opportunity cause you to make a gift you would otherwise not have made? (done so to U of T?)

6. Did the matching opportunity cause you to make a larger (or smaller) gift than you otherwise would have?

7. Would you have made a larger (or smaller) gift if the purpose were something other than student financial aid?

8. What do you need from an organization (information, guarantees concerning use of funds, other) to consider making a matching gift?

9. What is the optimal match rate to consider giving? 1:1, 2:1, 3:1 or other?

10. Are there any other aspects of philanthropic giving and/or matching gifts you would like to comment on?
Appendix F Survey Results

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| You are:                      |         |      |        |      |        |      |        |
| Male                          | 54%     |      |        |      |        |      |        |
| Female                        | 46%     |      |        |      |        |      |        |
| do not wish to say            | 0%      |      |        |      |        |      |        |

**Question # 1**

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</thead>
<tbody>
<tr>
<td>Because you were asked</td>
<td>12%</td>
<td>21%</td>
<td>11%</td>
<td>47%</td>
<td>9%</td>
</tr>
<tr>
<td>Compassion for those in need</td>
<td>1%</td>
<td>6%</td>
<td>11%</td>
<td>53%</td>
<td>29%</td>
</tr>
<tr>
<td>Personally believe in the cause</td>
<td>1%</td>
<td>0%</td>
<td>2%</td>
<td>41%</td>
<td>56%</td>
</tr>
<tr>
<td>Individuals associated with the cause</td>
<td>7%</td>
<td>21%</td>
<td>26%</td>
<td>34%</td>
<td>12%</td>
</tr>
<tr>
<td>Give back to the community</td>
<td>1%</td>
<td>4%</td>
<td>8%</td>
<td>53%</td>
<td>34%</td>
</tr>
<tr>
<td>Matching opportunity</td>
<td>5%</td>
<td>13%</td>
<td>20%</td>
<td>42%</td>
<td>20%</td>
</tr>
</tbody>
</table>

<table>
<thead>
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<th>strongly disagree</th>
<th>disagree</th>
<th>undecided</th>
<th>agree</th>
<th>strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Because you were asked</td>
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<td>11%</td>
<td>21%</td>
<td>21%</td>
<td>11% 47% 46% 8% 11%</td>
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<td>5%</td>
<td>12% 11% 53% 53% 25% 31%</td>
</tr>
<tr>
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<td>1%</td>
<td>1%</td>
<td>0%</td>
<td>0%</td>
<td>2% 2% 42% 39% 55% 58%</td>
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<td>7%</td>
<td>20%</td>
<td>20%</td>
<td>26% 26% 34% 35% 13% 11%</td>
</tr>
<tr>
<td>Give back to the community</td>
<td>1%</td>
<td>1%</td>
<td>4%</td>
<td>3%</td>
<td>9% 8% 53% 52% 33% 36%</td>
</tr>
<tr>
<td>Matching opportunity</td>
<td>5%</td>
<td>5%</td>
<td>16%</td>
<td>10%</td>
<td>22% 18% 39% 44% 18% 23%</td>
</tr>
<tr>
<td>Why do you give?</td>
<td>Likert Scale response: strongly disagree, disagree, undecided, agree, strongly agree</td>
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<td>undecided</td>
<td>agree / strongly agree</td>
<td></td>
</tr>
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<td>----------------------------------------------------------------------------------</td>
<td>---------------------------</td>
<td>-----------</td>
<td>------------------------</td>
<td></td>
</tr>
<tr>
<td>Because you were asked</td>
<td>33% 11% 56%</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
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<td></td>
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<td></td>
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<tr>
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<tr>
<td>Matching opportunity</td>
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<table>
<thead>
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<th>Why do you give?</th>
<th>Likert Scale response: strongly disagree, disagree, undecided, agree, strongly agree</th>
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<th>undecided</th>
<th>agree / strongly agree</th>
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<tbody>
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<td></td>
<td></td>
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<tr>
<td>Give back to the community</td>
<td>5% 4% 9% 8% 86% 88%</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Matching opportunity</td>
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</tbody>
</table>
Question # 2.

What factors go into your philanthropic decisions? Likert Scale response: strongly disagree, disagree, undecided, agree, strongly agree

<table>
<thead>
<tr>
<th>Factor</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Undecided</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belief in cause</td>
<td>1%</td>
<td>0%</td>
<td>3%</td>
<td>65%</td>
<td></td>
</tr>
<tr>
<td>Belief in organization</td>
<td>0%</td>
<td>3%</td>
<td>43%</td>
<td>54%</td>
<td></td>
</tr>
<tr>
<td>Belief in the leadership of the organization</td>
<td>2%</td>
<td>7%</td>
<td>45%</td>
<td>15%</td>
<td></td>
</tr>
<tr>
<td>Connection with people within the organization</td>
<td>4%</td>
<td>19%</td>
<td>37%</td>
<td>13%</td>
<td></td>
</tr>
<tr>
<td>Opportunities for matching</td>
<td>5%</td>
<td>13%</td>
<td>42%</td>
<td>18%</td>
<td></td>
</tr>
</tbody>
</table>

What factors go into your philanthropic decisions? Likert Scale response: strongly disagree, disagree, undecided, agree, strongly agree

<table>
<thead>
<tr>
<th>Factor</th>
<th>M</th>
<th>F</th>
<th>M</th>
<th>F</th>
<th>M</th>
<th>F</th>
<th>M</th>
<th>F</th>
<th>M</th>
<th>F</th>
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</thead>
<tbody>
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<td>1%</td>
<td>0%</td>
<td>0%</td>
<td>1%</td>
<td>0%</td>
<td>38%</td>
<td>29%</td>
<td>61%</td>
<td>70%</td>
</tr>
<tr>
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<td>3%</td>
<td>0%</td>
<td>0%</td>
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<td>45%</td>
<td>40%</td>
<td>51%</td>
<td>57%</td>
</tr>
<tr>
<td>Belief in the leadership of the organization</td>
<td>1%</td>
<td>3%</td>
<td>8%</td>
<td>6%</td>
<td>29%</td>
<td>32%</td>
<td>47%</td>
<td>41%</td>
<td>15%</td>
<td>18%</td>
</tr>
<tr>
<td>Connection with people within the organization</td>
<td>3%</td>
<td>4%</td>
<td>18%</td>
<td>20%</td>
<td>30%</td>
<td>25%</td>
<td>36%</td>
<td>38%</td>
<td>13%</td>
<td>13%</td>
</tr>
<tr>
<td>Opportunities for matching</td>
<td>5%</td>
<td>5%</td>
<td>14%</td>
<td>12%</td>
<td>24%</td>
<td>19%</td>
<td>39%</td>
<td>46%</td>
<td>18%</td>
<td>18%</td>
</tr>
</tbody>
</table>

What factors go into your philanthropic decisions? Likert Scale response: strongly disagree, disagree, undecided, agree, strongly agree

<table>
<thead>
<tr>
<th>Factor</th>
<th>Strongly Disagree / Disagree</th>
<th>Undecided</th>
<th>Agree / Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belief in cause</td>
<td>1%</td>
<td>1%</td>
<td>98%</td>
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<tr>
<td>Belief in organization</td>
<td>0%</td>
<td>3%</td>
<td>97%</td>
</tr>
<tr>
<td>Belief in the leadership of the organization</td>
<td>9%</td>
<td>31%</td>
<td>60%</td>
</tr>
<tr>
<td>Connection with people within the organization</td>
<td>23%</td>
<td>27%</td>
<td>50%</td>
</tr>
<tr>
<td>Opportunities for matching</td>
<td>18%</td>
<td>22%</td>
<td>60%</td>
</tr>
</tbody>
</table>
What factors go into your philanthropic decisions? Likert Scale response: strongly disagree, disagree, undecided, agree, strongly agree

<table>
<thead>
<tr>
<th>Factor</th>
<th>strongly disagree/disagree</th>
<th>undecided</th>
<th>agree / strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belief in cause</td>
<td>M</td>
<td>F</td>
<td>M</td>
</tr>
<tr>
<td>Belief in organization</td>
<td>0%</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>Belief in the leadership of the organization</td>
<td>9%</td>
<td>9%</td>
<td>29%</td>
</tr>
<tr>
<td>Connection with people within the organization</td>
<td>21%</td>
<td>24%</td>
<td>30%</td>
</tr>
<tr>
<td>Opportunities for matching</td>
<td>19%</td>
<td>17%</td>
<td>24%</td>
</tr>
</tbody>
</table>
Question # 3.

When undertaking the decision to make your gift, how important was the availability of matching funds?

<table>
<thead>
<tr>
<th>Importance</th>
<th>Not important</th>
<th>Slightly important</th>
<th>Moderately important</th>
<th>Important</th>
<th>Very important</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unspecified</td>
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<td>17%</td>
<td>29%</td>
<td>20%</td>
<td>13%</td>
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</table>

When undertaking the decision to make your gift, how important was the availability of matching funds?

<table>
<thead>
<tr>
<th>Gender</th>
<th>Not important / Slightly important</th>
<th>Slightly important</th>
<th>Moderately important</th>
<th>Important / Very important</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>22%</td>
<td>18%</td>
<td>27%</td>
<td>19%</td>
</tr>
<tr>
<td>Female</td>
<td>19%</td>
<td>16%</td>
<td>32%</td>
<td>21%</td>
</tr>
</tbody>
</table>

When undertaking the decision to make your gift, how important was the availability of matching funds?

<table>
<thead>
<tr>
<th>Importance</th>
<th>Not important / Slightly important</th>
<th>Moderately important</th>
<th>Important / Very important</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>41%</td>
<td>27%</td>
<td>32%</td>
</tr>
<tr>
<td>Female</td>
<td>35%</td>
<td>32%</td>
<td>33%</td>
</tr>
</tbody>
</table>
Question # 4.

If matching funds are available, do you want the opportunity to designate your gift to a specific initiative?

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
<th>Do not know</th>
<th>Do not wish to answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>63%</td>
<td>17%</td>
<td>19%</td>
<td>1%</td>
</tr>
<tr>
<td>Female</td>
<td>64%</td>
<td>16%</td>
<td>18%</td>
<td>2%</td>
</tr>
</tbody>
</table>
**Question # 5.**

If you were to designate your gift, what type of initiative would you designate it toward? Likert scale response: definitely not, probably not, possibly, probably, definitely.

<table>
<thead>
<tr>
<th>Initiative</th>
<th>Definitely Not</th>
<th>Probably Not</th>
<th>Possibly</th>
<th>Probably</th>
<th>Definitely</th>
</tr>
</thead>
<tbody>
<tr>
<td>Area of greatest need</td>
<td>2%</td>
<td>5%</td>
<td>26%</td>
<td>41%</td>
<td>26%</td>
</tr>
<tr>
<td>Capital projects</td>
<td>5%</td>
<td>22%</td>
<td>52%</td>
<td>17%</td>
<td>4%</td>
</tr>
<tr>
<td>Programming</td>
<td>3%</td>
<td>12%</td>
<td>46%</td>
<td>32%</td>
<td>7%</td>
</tr>
<tr>
<td>Scholarship support</td>
<td>1%</td>
<td>5%</td>
<td>25%</td>
<td>36%</td>
<td>33%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Initiative</th>
<th>Definitely Not</th>
<th>Probably Not</th>
<th>Possibly</th>
<th>Probably</th>
<th>Definitely</th>
</tr>
</thead>
<tbody>
<tr>
<td>Area of greatest need</td>
<td>2%</td>
<td>2%</td>
<td>5%</td>
<td>4%</td>
<td>24%</td>
</tr>
<tr>
<td>Capital projects</td>
<td>5%</td>
<td>6%</td>
<td>17%</td>
<td>26%</td>
<td>51%</td>
</tr>
<tr>
<td>Programming</td>
<td>4%</td>
<td>3%</td>
<td>13%</td>
<td>9%</td>
<td>48%</td>
</tr>
<tr>
<td>Scholarship support</td>
<td>1%</td>
<td>0%</td>
<td>6%</td>
<td>4%</td>
<td>28%</td>
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<table>
<thead>
<tr>
<th>Initiative</th>
<th>Definitely Not</th>
<th>Possibly</th>
<th>Probably</th>
<th>Definitely</th>
</tr>
</thead>
<tbody>
<tr>
<td>Area of greatest need</td>
<td>7%</td>
<td>26%</td>
<td>67%</td>
<td></td>
</tr>
<tr>
<td>Capital projects</td>
<td>27%</td>
<td>52%</td>
<td>21%</td>
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</tr>
<tr>
<td>Programming</td>
<td>15%</td>
<td>46%</td>
<td>39%</td>
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<tr>
<td>Scholarship support</td>
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<td>25%</td>
<td>69%</td>
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<table>
<thead>
<tr>
<th>Initiative</th>
<th>Definitely Not</th>
<th>Possibly</th>
<th>Probably</th>
<th>Definitely</th>
</tr>
</thead>
<tbody>
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<td>7%</td>
<td>6%</td>
<td>24%</td>
<td>24%</td>
</tr>
<tr>
<td>Capital projects</td>
<td>22%</td>
<td>32%</td>
<td>51%</td>
<td>53%</td>
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<td>Programming</td>
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<tr>
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<td>7%</td>
<td>4%</td>
<td>28%</td>
<td>23%</td>
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</table>
Question # 6.

How likely are you to leverage different sources of matching? Likert scale response: definitely not, probably not, possibly, probably, definitely

<table>
<thead>
<tr>
<th></th>
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<th>probably not</th>
<th>possibly</th>
<th>probably</th>
<th>definitely</th>
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</thead>
<tbody>
<tr>
<td>University Funds</td>
<td>4%</td>
<td>15%</td>
<td>41%</td>
<td>26%</td>
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<tr>
<td>Government Funds</td>
<td>5%</td>
<td>10%</td>
<td>32%</td>
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</tr>
<tr>
<td>Other Donors</td>
<td>5%</td>
<td>13%</td>
<td>37%</td>
<td>29%</td>
<td>16%</td>
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How likely are you to leverage different sources of matching? Likert scale response: definitely not, probably not, possibly, probably, definitely

<table>
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<tr>
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<th>probably not</th>
<th>possibly</th>
<th>probably</th>
<th>definitely</th>
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</thead>
<tbody>
<tr>
<td>University Funds</td>
<td>5%</td>
<td>3%</td>
<td>16%</td>
<td>12%</td>
<td>37%</td>
</tr>
<tr>
<td>Government Funds</td>
<td>4%</td>
<td>6%</td>
<td>10%</td>
<td>10%</td>
<td>29%</td>
</tr>
<tr>
<td>Other Donors</td>
<td>3%</td>
<td>7%</td>
<td>11%</td>
<td>14%</td>
<td>40%</td>
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</table>

How likely are you to leverage different sources of matching? Likert scale response: definitely not, probably not, possibly, probably, definitely

<table>
<thead>
<tr>
<th></th>
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<tr>
<td>Government Funds</td>
<td>15%</td>
<td>32%</td>
</tr>
<tr>
<td>Other Donors</td>
<td>18%</td>
<td>37%</td>
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How likely are you to leverage different sources of matching? Likert scale response: definitely not, probably not, possibly, probably, definitely

<table>
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<tr>
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<th>definitely not / probably not</th>
<th>possibly</th>
<th>probably / definitely</th>
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<tr>
<td>Government Funds</td>
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<td>16%</td>
<td>29%</td>
</tr>
<tr>
<td>Other Donors</td>
<td>14%</td>
<td>21%</td>
<td>40%</td>
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</tbody>
</table>
Question # 7.

Would you give more money if you knew matching funds were available?

<table>
<thead>
<tr>
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<th>Yes</th>
<th>No</th>
<th>Do not know</th>
<th>Do not wish to answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>32%</td>
<td>40%</td>
<td>27%</td>
<td>1%</td>
</tr>
<tr>
<td>Female</td>
<td>31%</td>
<td>38%</td>
<td>30%</td>
<td>1%</td>
</tr>
</tbody>
</table>

Question # 8.

Do you think it is a good use of the government’s money to encourage philanthropic giving by providing matching funds?

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
<th>Do not know</th>
<th>Do not wish to answer</th>
</tr>
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<tbody>
<tr>
<td>Male</td>
<td>74%</td>
<td>12%</td>
<td>14%</td>
<td>0%</td>
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<tr>
<td>Female</td>
<td>70%</td>
<td>8%</td>
<td>20%</td>
<td>2%</td>
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</tbody>
</table>
Question # 9.

Would you encourage other donors to leverage matching gift programs?

<table>
<thead>
<tr>
<th>Not at all likely</th>
<th>Slightly likely</th>
<th>Moderately likely</th>
<th>Quite likely</th>
<th>Extremely likely</th>
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<td>16%</td>
<td>23%</td>
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Would you encourage other donors to leverage matching gift programs?

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<tr>
<th>Not at all likely</th>
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<th>Moderately likely</th>
<th>Quite likely</th>
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<td>M</td>
<td>F</td>
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<tr>
<td>12%</td>
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<table>
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<th>Moderately likely</th>
<th>Quite likely / Extremely likely</th>
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<th>Quite likely / Extremely likely</th>
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<td>M</td>
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<td>31%</td>
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## Appendix G Respondent Codes

<table>
<thead>
<tr>
<th>Respondent Code</th>
<th>Date of Interview / Focus Group</th>
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<tbody>
<tr>
<td>JVF 01</td>
<td>Tues. May 23 @ 3 p.m.</td>
</tr>
<tr>
<td>JVM 02</td>
<td>Wed. May 24, @ 12:15 p.m.</td>
</tr>
<tr>
<td>JVF 03</td>
<td>Wed May 24 @ 1 p.m.</td>
</tr>
<tr>
<td>JVM 04</td>
<td>Wed. May 24 @ 3:30 p.m.</td>
</tr>
<tr>
<td>JVM 05</td>
<td>Wed. May 24 @ 3:30 p.m.</td>
</tr>
<tr>
<td>JVF 06</td>
<td>Wed. May 24 @ 3:30 p.m.</td>
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<tr>
<td>JVF 07</td>
<td>Wed. May 24 @ 5:30 p.m.</td>
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<tr>
<td>JVF 08</td>
<td>Wed. May 24 @ 5:30 p.m.</td>
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<tr>
<td>JVF 09</td>
<td>Wed. May 24 @ 6:30 p.m.</td>
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<tr>
<td>JVM 10</td>
<td>Thurs. May 25 @ 10 a.m.</td>
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<tr>
<td>JVF 11</td>
<td>Thurs. May 25 @ 10 a.m.</td>
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<tr>
<td>JVF 12</td>
<td>Thurs. May 25 @ 10 a.m.</td>
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<tr>
<td>JVM 13</td>
<td>Thurs. May 25 @ 10 a.m.</td>
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<tr>
<td>JVM 14</td>
<td>Thurs. May 25 @ 11:45 a.m.</td>
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<tr>
<td>JVF 15</td>
<td>Thurs. May 25 @ 12:15 p.m.</td>
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<tr>
<td>JVM 16</td>
<td>Thurs. May 25 @ 4 p.m.</td>
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<tr>
<td>JVF 17</td>
<td>Thurs. May 25 @ 4:30 p.m.</td>
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<tr>
<td>JVM 18</td>
<td>Fri. May 26 @ 12:30 p.m.</td>
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<tr>
<td>JVF 19</td>
<td>Fri. May 26th @ 1:30 p.m.</td>
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<tr>
<td>JVF 20</td>
<td>Fri May 26 @ 1:30 p.m.</td>
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<tr>
<td>JVM 21</td>
<td>Fri May 26 @ 1:30 p.m.</td>
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<tr>
<td>JVM 22</td>
<td>Fri. May 26 @ 4 p.m.</td>
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<tr>
<td>JVM 23</td>
<td>Mon. May 29 @ 8:30 a.m.</td>
</tr>
<tr>
<td>JVF 24</td>
<td>Mon. May 29 @ 11:30 a.m.</td>
</tr>
<tr>
<td>JVF 25</td>
<td>Mon. May 29 @ noon</td>
</tr>
<tr>
<td>JVF 26</td>
<td>Mon. May 29 @ 4 p.m.</td>
</tr>
<tr>
<td>JVF 27</td>
<td>Tues. May 30 @ 11 a.m.</td>
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<tr>
<td>JVF 28</td>
<td>Tues. May 30 @ 12:30 p.m.</td>
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<td>JVF 29</td>
<td>Tues. May 30 @ 12:30 p.m.</td>
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<td>JVF 30</td>
<td>Tues. May 30 @ 12:30 p.m.</td>
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<td>JVF 31</td>
<td>Tues. May 30 @ 12:30 p.m.</td>
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<td>JVF 32</td>
<td>Tues. May 30 @ 2:30 p.m.</td>
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<td>JVF 33</td>
<td>Wed. May 31 @ 3:30 p.m.</td>
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<tr>
<td>JVF 34</td>
<td>Wed. June 2 @ 3 p.m.</td>
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<tr>
<td>JVM 35</td>
<td>Mon. June 5 @ 2 p.m.</td>
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<tr>
<td>JVF 36</td>
<td>Mon. June 5 @ 3 p.m.</td>
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<tr>
<td>Location</td>
<td>Date &amp; Time</td>
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<tr>
<td>JVF 37</td>
<td>Mon. June 5 @ 3:30 p.m.</td>
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<tr>
<td>JVM 38</td>
<td>Mon. June 5 @ 4 p.m.</td>
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<tr>
<td>JVM 39</td>
<td>Mon. June 5 @ 4:20 p.m.</td>
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<td>JVM 40</td>
<td>Wed. June 7 @ 1:00 p.m.</td>
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<tr>
<td>JVM 41</td>
<td>Wed. June 7 @ 12:00 pm</td>
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<tr>
<td>JVM 42</td>
<td>Wed. June 7 @ 3 p.m.</td>
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<tr>
<td>JVM 43</td>
<td>Thurs. June 8 @ 9:30 a.m.</td>
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<tr>
<td>JVF 44</td>
<td>Thurs. June 8, 2017 noon</td>
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<tr>
<td>JVF 45</td>
<td>Fri. June 9 @ 12:30 p.m.</td>
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<tr>
<td>JVF 46</td>
<td>Thurs. June 8 @ 2 p.m.</td>
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