

4-21-2008 Boosters

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2 JOSH CENTOR: Dr. Brand, a couple of weeks ago we were  
3 having a interesting conversation about on the DoubleAZone  
4 about whether or not it is appropriate for athletics  
5 departments to be influenced by boosters. We are not talking  
6 about boosters who give a million or two million, but  
7 mega-boosters -- folks that gives lots and lots of money.

8 What's your stance on this?

9 DR. MYLES BRAND: First of all, there are very few of  
10 those -- a handful at best. Second of all, being influenced  
11 is probably not the right way to describe the attitude of  
12 these large donors. Money does buy access -- there is no  
13 question about it.

14 But the fact of the matter is that, to the best of my  
15 knowledge, for those very large donors, \$100 million donors,  
16 they don't require -- don't ask to have ability to ask  
17 appointments or to change directions of a program or to have  
18 control over hirings and firings as a whole. And they are  
19 sophisticated enough to understand that no university would  
20 accept a gift under those conditions, no matter how large the  
21 gift is.

22 JOSH CENTOR: Now, you have a huge booster out in the  
23 public eye, T. Boone Pickens at Oklahoma State. Bill Self  
24 lead Kansas to the men's basketball championship. Now,  
25 everybody is saying T. Boone will open up his checkbook and

1 get Coach Self to come over to Oklahoma State.

2 Should boosters have influence in hirings and firings?

3 DR. MYLES BRAND: Well, I would assume that the  
4 athletic department -- and I don't know about this particular  
5 case -- but I assume if the athletic department wants to hire  
6 a particular coach who's expensive -- and some of those head  
7 coaches are, we both know -- goes to a major donor and said,  
8 "We would love to have this coach. We have been opening.  
9 We'd love to have this coach. He or she is a proven winner.  
10 Would you contribute N million dollars for this?"

11 And, you know, the booster would then go back to the  
12 AD and say, "Is that the most important -- is that your guy?  
13 Is that the one you want to hire?"

14 And if the AD says, "Yes, that's our choice, but we  
15 need your support," that's a legitimate conversation and  
16 transaction.

17 Pickens isn't hiring the coach. They are asking for  
18 support of a decision they've made. There is some subtlety to  
19 that, and I think the cynics amongst us would deny that that's  
20 what's going on, that really the booster is doing it. I just  
21 don't believe it because the integrity of an institution,  
22 including the integrity of the athletic department, doesn't  
23 permit any other behavior.

24 JOSH CENTOR: What's the difference here between  
25 athletics boosters and academic boosters?

1           I know at my institution we had one family that  
2           donated 10s and 10s and millions of dollars, and they have  
3           names all over the buildings at campus. And they've had a  
4           tremendous impact on the academic success of the institution.

5           Is there a difference?

6           DR. MYLES BRAND: I don't see a difference. For  
7           example, suppose you have a very prosperous donor for a major  
8           university. And they say, "You know, I really want this  
9           university, my alma mater, to have the best business school  
10          possible. And I'm going to give money to the business  
11          school."

12          You know, that I'm a philosopher by trade.

13          JOSH CENTOR: Absolutely.

14          DR. MYLES BRAND: And I'm in the art and sciences.  
15          And I say, "Oh, boy, that person is influencing the university  
16          going towards business, rather than the arts and sciences,  
17          well, that person is making a choice that, you know, they  
18          would prefer to invest in that particular branch of the  
19          university. Arts and sciences are free to go find another  
20          donor of that magnitude.

21          Should the university say no to that gift -- as long  
22          as the donor understands clearly and explicitly, they are not  
23          going to choose what faculty to hire; they are not going to  
24          chose what programs, should you emphasize finance or  
25          accounting and so on, that those are institutional decisions,

1 then it's fine.

2           You know, donors -- and you don't have to be \$100  
3 million donor to do this, you can be a mere million dollar  
4 donor to do this -- give -- name professorships chairs. So  
5 it's the John Smith chair in philosophy, okay.

6           Having done that, putting your name on the chair, does  
7 not give you any role to play in who fulfills that chair. You  
8 are not permitted -- according to the integrity of the rules  
9 of the university, you are not permitted really to have any  
10 influence. And so that's well understood.

11           JOSH CENTOR: Do you think we could ever get to a  
12 point where we are providing naming rights at universities for  
13 corporations? For instance, you rename a state university  
14 Nike State University? Or it's the Oklahoma State Athletics  
15 Department brought to you by T. Boone Pickens? Are these  
16 things possible?

17           DR. MYLES BRAND: You know, universities differ a lot.  
18 Almost every university, and maybe every university, is open  
19 to or has rooms and lecture halls a name for corporations --  
20 the IBM classroom, and so on. There are lots and lots of  
21 that. Some universities won't permit you to name a school  
22 like a business school after a corporation, only individuals.

23           But on the other hand, we have some universities who  
24 are named after individuals. A very fine institution here in  
25 the state of Indiana is Ball State University, named after the

1 Ball family for a major gift. And there are -- Stanford  
2 University was named after a donor too, William Stanford. So  
3 the fact of the matter is there are lots of universities that  
4 carry specific names on the basis of donors.

5 But for corporations, there is a feeling that beyond  
6 smaller gifts and naming rights that there is some discomfort.  
7 One well-known university on the West Coast was offered a new  
8 science building if the corporation would be permitted to put  
9 their name on it and they said no.

10 JOSH CENTOR: Very interesting. As things get more  
11 and more expensive, it would seem logical that the field of  
12 development would continue to seek out these major boosters,  
13 major donors. So that probably won't change any time soon in  
14 higher education.

15 DR. MYLES BRAND: No. Higher education is working  
16 double time to advance themselves in philanthropy. The fact  
17 of the matter is that both for private and public  
18 institutions, the revenue sources are becoming very thin. The  
19 public universities and state funds are becoming more  
20 difficult. And we see this right now in this economic  
21 downturn. And philanthropy plays a very significant role in  
22 building excellence. It doesn't keep the lights on. You've  
23 got to have other sources of revenue to keep the lights on.

24 But any university that wants to be excellent needs  
25 donor support, alumni or friends of the institution.

1                   Same thing goes in athletics, it is exactly the same.  
2    You can have -- the amount of money it costs to run a strong  
3    athletic department needs external sources, particularly when  
4    you are talking about facilities. And philanthropy there  
5    becomes critically important.

6                   JOSH CENTOR: Thank you, Dr. Brand.

7                   DR. MYLES BRAND: My pleasure.

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