

Transformative **Impact**

A Philanthropic Investment: Two Decades Later

2015



A Message from President Anderson

Dear Friends,

In the fall of 1996, something extraordinary happened at Illinois Institute of Technology (IIT). The word “extraordinary” is thrown around a lot, but in this case, the word applies. Bob Galvin, Bob Pritzker, and their families gave gifts of \$60 million each to IIT. The combined \$120 million gift from the Galvin and Pritzker families ignited the \$250 million IIT Challenge Campaign—an effort that would revitalize the university and change the course of its future.



When news of this historic gift went public, it made waves across the City of Chicago and the entire nation. Its proportions were stunning. Roger Benjamin, president of the Council for Aid to Education, said it was “one of the most impressive single gifts in the history of philanthropy to higher education for an institution the size and level of IIT.” Benjamin went on to say of the gift: “If used properly, it will propel [IIT] quite dramatically over the next decade.”

At the time of the gift—in the fall of 1996—I was a chemical engineering professor and had recently taken on the role of dean for the College of Engineering at Carnegie Mellon University. Little did I know that I would one day be IIT’s president, charged with continuing the efforts Bob and Bob had begun in their partnership with IIT President Lew Collens.

Not only did these men believe they could bolster the university financially, but they also knew they could inspire confidence in IIT’s future through their presence and leadership. Yes, \$120 million can go a long way in improving the fate of an institution, but the non-monetary impact of their commitment was equally transformational. Their confidence in IIT inspired other donors to see the university as worthy of philanthropy. The result was a successful \$250 million Challenge Campaign. And that campaign laid the groundwork for the success of our current **Fueling Innovation** campaign.

Today, we can see the remarkable return on investment of the Galvin and Pritzker families’ gifts and the ensuing Challenge Campaign. As you will observe in this report, since the Challenge Campaign, IIT has continued to chart clear and consistent growth in enrollment, research volume, faculty hiring, and the number of degrees conferred. These numbers tell a story of progress and remind us of the inspiring leaders, donors, and alumni who made the Challenge Campaign a success.

Having spent my entire career in higher education, I can tell you that the velocity of change at IIT is not something I have seen anywhere else. I can easily refer to the qualitative analysis as evidence—that as a university we are more visible, and the perception of an IIT education is far more positive. But as an engineer, I relish quantitative analysis. The numbers in the following pages are clear: we have achieved what Bob and Bob and their very generous families challenged us to do.

(continued)

Early in my presidency, I had the opportunity to spend time with both Bobs. I was fortunate to learn their vision for IIT. I am grateful I was able to listen to their advice and benefit from their wisdom. I think they would humbly confirm my proposition that their leadership and family-philanthropy singularly changed this university.

I am serving my eighth and final year as president of IIT, and the university will mark the 125th anniversary of its founding this year. In this momentous year, it is my hope that members of the Galvin and Pritzker families, as well as the other leaders and contributors to the Challenge Campaign, will understand the tangible results of their generosity. Two decades later, your support has made a dramatic difference at IIT. We are grateful for the bold and generous philanthropic individuals who raised us to a new level of excellence.

The primary focus of the current **Fueling Innovation** campaign is to identify the next generation of bold and generous leaders, and we are proud to report that we have 142 first-time donors of \$100,000 or more. Today's philanthropists are indeed continuing your tradition and will help our next president, Alan Cramb, advance the university even further.

Thank you for your generosity. You have opened the door to an innovation-focused education for generations of students to come.



John L. Anderson
President

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A Stunning Gift

Nearly two decades ago in the fall of 1996, Bob Galvin, Bob Pritzker, and their families made a historic gift of \$120 million to Illinois Institute of Technology that ushered in a new era of possibility for the university.

Chicago Tribune

Chicago Sports Final
 50c Newsstand

Friday, November 22, 1996

IIT gets record \$120 million pledge

Grant to revitalize campus, boost neighborhood

By Bob Sexter and Rogers Worthington
TRIBUNE STAFF WRITERS

The Illinois Institute of Technology on Thursday announced a record-setting \$120 million donation that one outside observer described as "a stunning gift."

The \$120 million—from corporate giants Robert and Jay Pritzker and Robert W. Galvin—could become \$250 million through matching donations. It also could have a ripple effect that goes beyond dollars and beyond the IIT campus into a neighborhood poised for revival.

The money, which IIT President Lew Collins said was the largest charitable gift ever promised to an institution in the Chicago area, came in the form of two \$60 million challenge grants.

One of the pledges is from Galvin, chairman of the executive committee of Motorola and a past chairman of the IIT Board of Trustees. The other comes from the Pritzker brothers, leading figures in the Hyatt Hotel chain and a number of other corporations. Robert Pritzker, a 1946 IIT graduate, is now chairman of the school's board.

"It's a stunning gift... one of the most impressive single gifts in the history of philanthropy to higher education for an institution the size and level of IIT," said Roger Benjamin, president of the Council for Aid to Education, and director of the Institution on Education and Training at the Rand Institute.

"If used properly, it will propel them quite dramatically over the next decade."

The announcement kicks off a five-year, \$250 million fundraising campaign that IIT officials said would be used to refurbish the 120-acre campus, build new housing for faculty and students, hire more teachers and fund more scholarships.

The university's backers also wouldn't mind if the money helps boost IIT's image in a city where

Donation to IIT ranks among highest in nation

The Illinois Institute of Technology announced that two families have pledged to donate \$120 million to the university for campus redevelopment.

- \$295 million: Emory (1996)
- \$125 million: New York Univ. (1994)
- \$125 million: Louisiana State (1981)
- \$120 million: Univ. of Pennsylvania (1993)
- \$120 million: Southern California (1993)
- \$120 million: IIT (1996)
- \$105 million: Emory (1979)
- \$100 million: Princeton (1995)
- \$100 million: Regent (1992)
- \$100 million: Rowan College of N.J. (1992)

Note: Value may include cash, stock and other holdings from private donors.

Source: Chronicle of Higher Education



Chicago Sun-Times

Grant puts IIT in well-deserved spotlight

The \$120 million challenge grant to the Illinois Institute of Technology is stunning in its amount and its potential impact.

No other university in this area has ever received such a large gift. Donated by the prominent Pritzker and Galvin families, the money will be used to hire teachers, create student scholarships and finance a 10-year rebuilding program to transform the South Side commuter campus into a residential one.

But the implications of the gift go well beyond the school. It is a boost for the historic Bronzeville district, once the center of Chicago's African-American community. Along with a new police headquarters, promised upgrading of Chicago Housing Authority homes to the south, an emerging residential neighborhood to the east and Comiskey Park to the west, a critical mass could be created by the revitalized IIT campus to make the South Side community the latest in Chicago to enjoy a grand resurgence.

IIT has been an important part of Chicago since it was founded in 1890, and the school has been internationally prominent in such fields as architecture and design. Even though its presence and its graduates have left a healthy and profound impact on Chicago, IIT has labored in the shadows of more visible local institutions of higher learning, including the University of Chicago, Northwestern University and, more recently, the University of Illinois at Chicago.

The grant, along with the additional \$120 million from other sources it will generate, is a fitting tribute to the school's past, and a forerunner of even larger benefits to this community to come.

THE CHRONICLE

of Higher Education.

November 20, 1996 • 11:25
Volume 1188, Number 47

Illinois Institute of Technology Receives 2 Pledges of \$60-Million

BY JAMES J. MCKENNA

The Illinois Institute of Technology has received two \$60-million pledges to fund a \$120-million challenge grant to revitalize the South Side campus and surrounding neighborhood.

The pledges were announced Thursday by IIT President Lew Collins. The donors are Robert and Jay Pritzker and Robert W. Galvin.

The Pritzker family, which owns Hyatt Hotels Corp., and Galvin, who is chairman of Motorola, are among the nation's wealthiest families.

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Chicago Sun-Times NEWS Friday, November 22, 1996

\$120 million gift for IIT

Big overhaul to aid revival of Bronzeville

BY FRAN SPIELMAN
CITY-DEVELOPMENT

Two of Chicago's best-known families Thursday announced a \$120 million challenge grant to the Illinois Institute of Technology, paving the way for an overhaul of the historic Bronzeville neighborhood.

The grant from the Pritzker and Galvin families was billed as the largest charitable pledge ever made to a Chicago-area institution.

The grants will match dollar-for-dollar up to \$120 million in contributions from other private donors.

If the fund-raising campaign is successful, the money will be used to hire teachers, create student scholarships and finance a 10-year rebuilding program to transform the commuter campus into a thriving residential community.

"I have absolute confidence that they'll do it. If I'm wrong, Bob [Pritzker] and I will get out with a checkbook and get it," said Robert A. Pritzker, chairman of the IIT Board of Trustees and a 1946 IIT graduate.

Pritzker, 70, said it was an "absolute stroke of genius" for Daley to "kick the spot the deal."

Daley said the new police headquarters and staff are essential components of the IIT plan.

"One of the purposes of the University of Illinois [at Chicago] has been student dorms. If it wasn't for that, UIC would have the same problems. But, they're now competing with Chapman-Urbana," Daley said.

The Pritzker family owns Hyatt Corp., Hyatt International and Marmon Holdings Inc., a management service organization comprising more than 60 companies with more than 20,000 employees and \$6 billion in annual sales.

Robert W. Galvin, who did not attend Thursday's news conference, is chairman of the executive committee of Motorola. He is a past chairman of the IIT Board of Trustees.

IIT, founded in 1890, is on a 120-acre campus at 31st and State designed by Ludwig Mies van der Rohe. For 20 years, Mies Van der Rohe directed the architecture program at IIT.

The planned overhaul of the IIT campus was designed by the architect's grandson, Erik Luban. Over 10 years, it calls for:

- Construction of a \$30 million campus center at 31st and State.
- Construction of a \$30 million student dorm at 31st and State.
- The old student union at 31st S.

Renovation of five academic buildings, including Crown Hall at a cost of \$40 million.

- New undergraduate residence halls with a total of 900 beds, at a cost \$13 million apiece. The new dorms will flank the new student union.
- Rehabilitation of four graduate apartment buildings at 31st and Michigan, at a cost of \$5 million.
- Construction of the first residential complex for faculty and staff on university-owned vacant lots bounded by 31st St., Michigan Ave., 32nd St. and Indiana. The town homes and condominiums will be priced below the current market rate, which ranges from \$160,000 to \$200,000.

Representatives of the 450-member student body who attended Thursday's news conference seemed overjoyed by the Pritzker-Galvin gift.

"IIT has always been of the caliber of Caltech and MIT. But the monetary support from the Board of Trustees," said Stephen Calhoun, president of the IIT student government.

James Washington, another IIT student, said: "I can't wait to see it. It's going to renovate the whole campus. It's going to be a central spot in Chicago—a booming area. I'll be long gone by then, but I'll stay by and visit the campus."



Robert A. Pritzker (from left), IIT President Lew Collins and Mayor Daley look at a plan of the school's planned building program. The centerpiece is a \$30 million campus center.

"It's the educational establishments that will build and rebuild the city..."

—Mayor Daley

"IIT has always been of the caliber of Caltech and MIT. We haven't had the recognition."

—Stephen Calhoun, IIT student



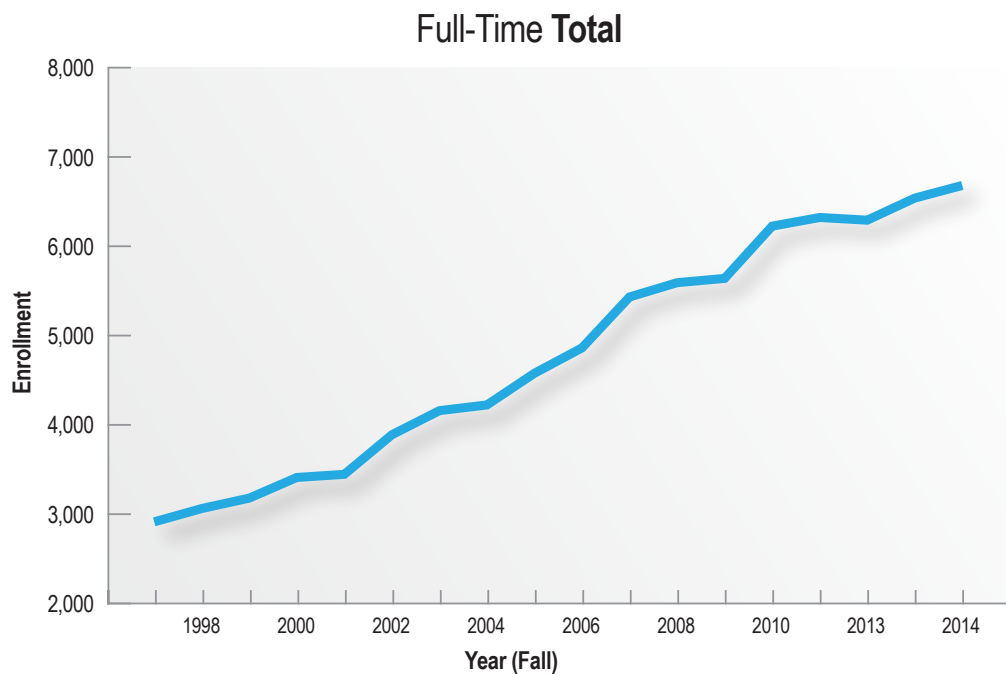
Planned site of new campus center

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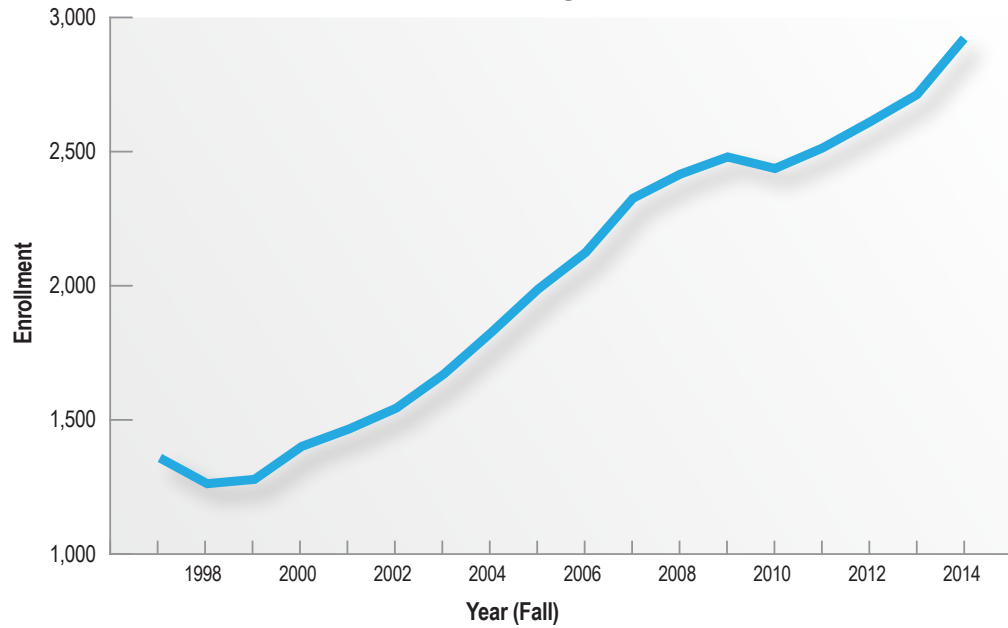
Enrollment

From fall of 1997 to fall of 2014, enrollment of full-time students grew from 2,914 to 6,681. Thus, the university achieved a **129% increase in total enrollment of full-time undergraduate and graduate students combined**. This represents a 5% annualized growth over 17 years.

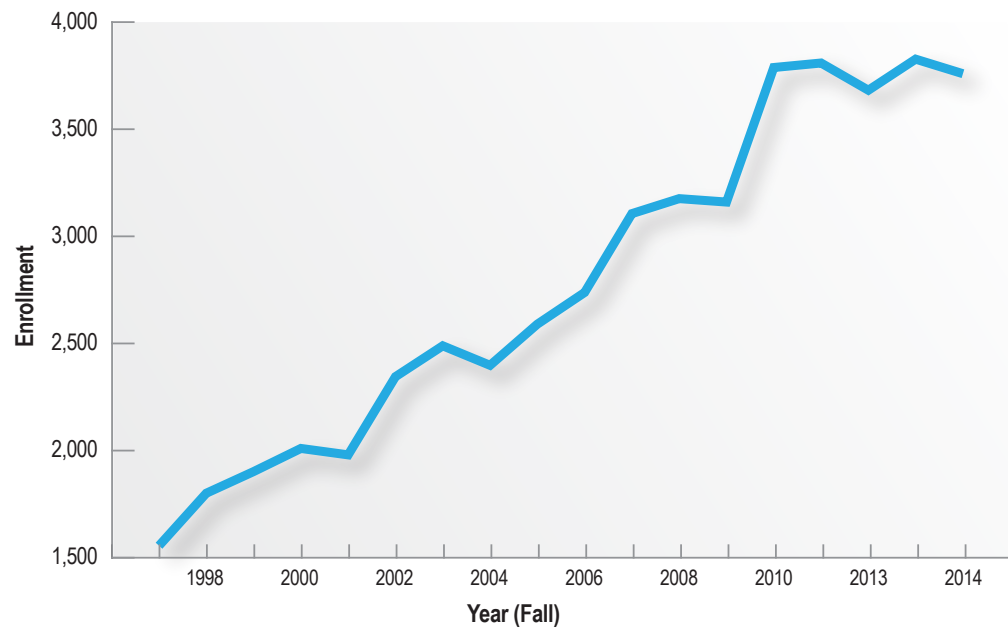


Enrollment

Full-Time Undergraduates

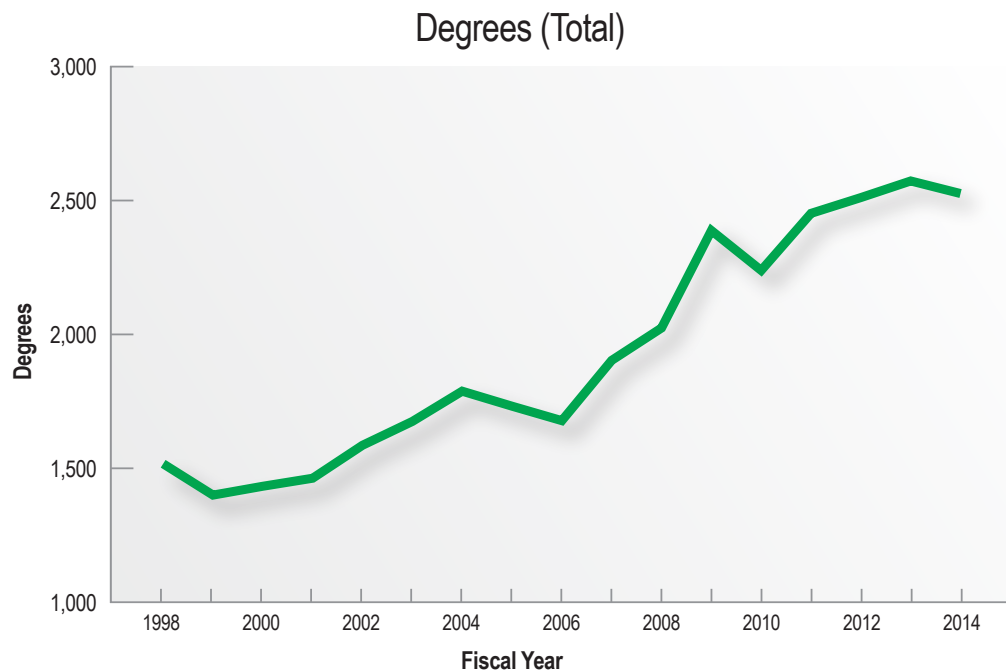


Full-Time Graduates



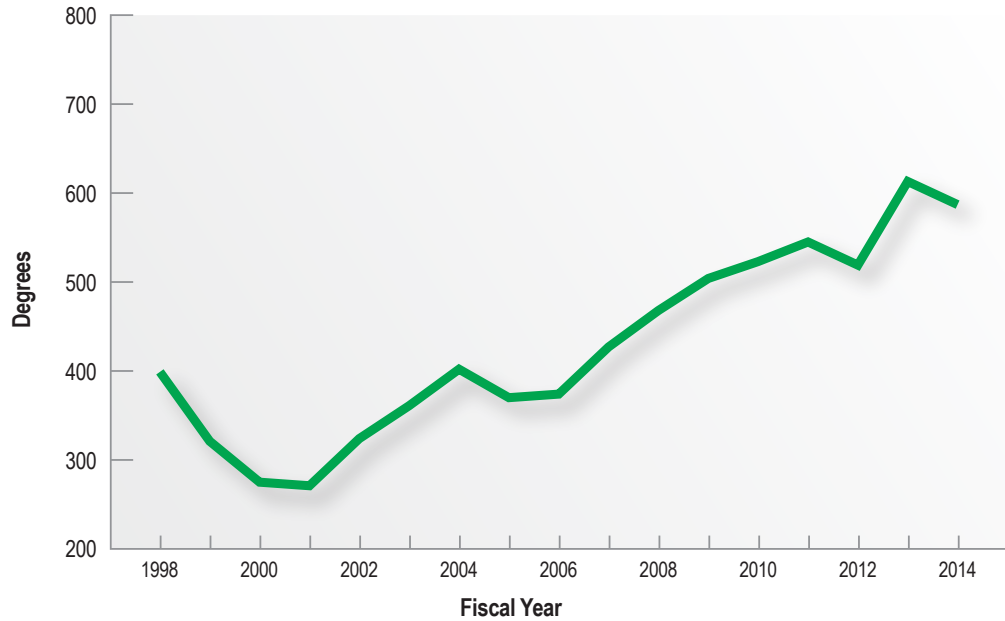
Degrees Conferred

From 1998 to 2014, the university achieved a **67% increase in total numbers of degrees conferred**. In 1998, IIT awarded 399 bachelor's degrees and 1,118 graduate and J.D. degrees. By 2014, these numbers climbed to 587 bachelor's degrees and 1,939 graduate and J.D. degrees.

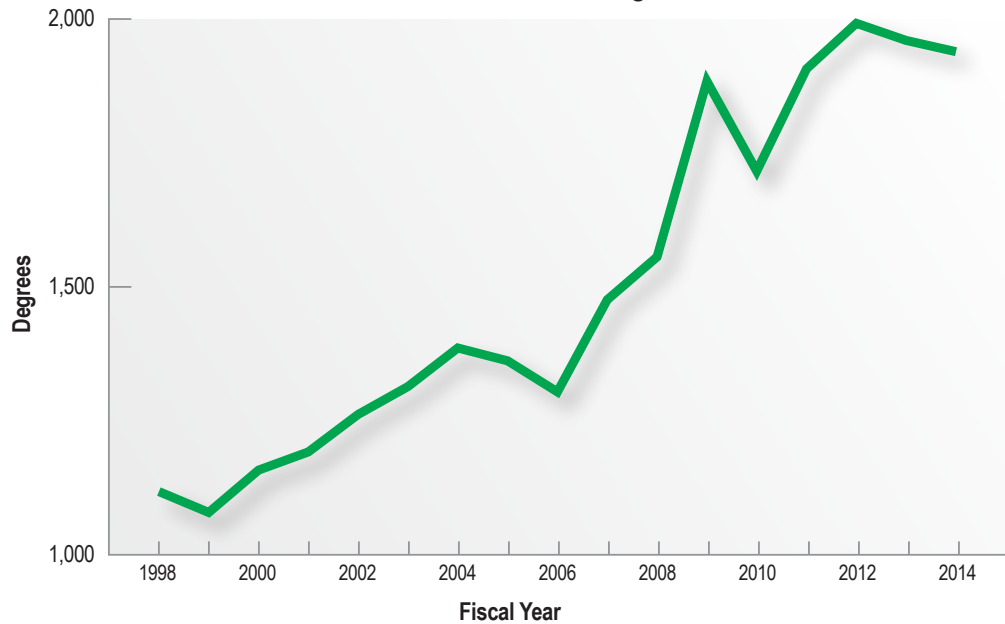


Degrees Conferred

Bachelor's Degrees

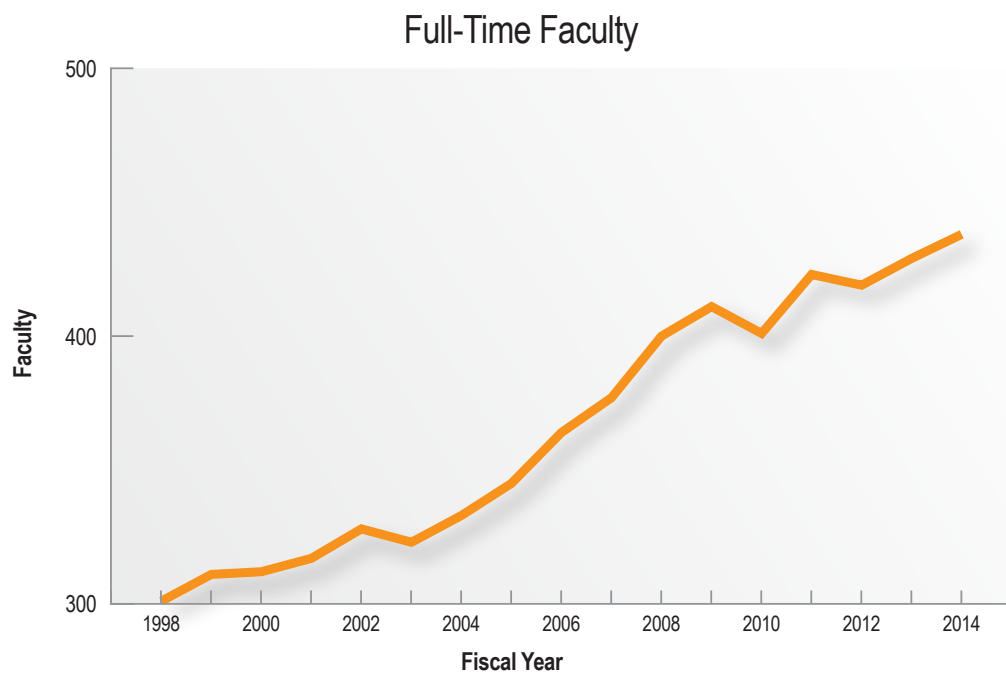


Graduate and J.D. Degrees



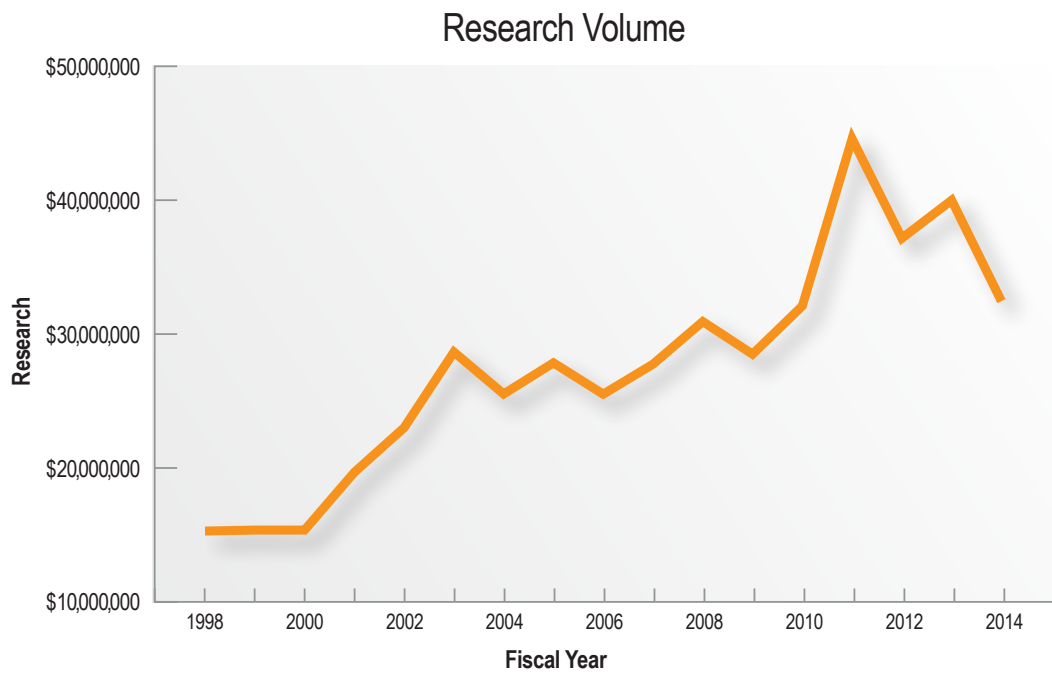
Faculty

From 1998 to 2014, **the number of full-time faculty increased by 46%**, moving from 301 faculty members in 1998 to 438 in 2014. Despite the concurrent rapid growth in enrollment, IIT has a **student/faculty ratio of 15:1**.



Research Volume

From 1998 to 2014, IIT's **research volume grew from \$15,290,000 to \$32,460,000**. These numbers do not include IITRI.



Intangible Returns on Investment

“Not everything that counts can be counted...”

–William B. Cameron

There has been a sea change in the culture at IIT. Such changes cannot be directly measured by numerics; rather they are sensed on the campus through the academic life of the university. The changes can be summarized as follows:

- **Commitment to excellence:** An important attribute enabling advancement is a belief in oneself and a dedication to being excellent. The faculty and staff recognize what it takes to become an excellent, nationally recognized university, and they are committed to achieving it.
- **Fiscal discipline:** The academic and administrative leaders understand the necessity of balanced budgets and contingencies. This understanding has become institutionalized and is now common practice.
- **Research and scholarship:** While good teaching is necessary to become a good university, research and scholarship are required to be distinctive. Tenure-track faculty members generally understand that research and scholarship are integral responsibilities of their positions.
- **Leadership:** No organization can survive without good leadership throughout the ranks. Not only have good leaders been hired to IIT, many faculty and staff have grown into good leaders, and leadership is respected on campus.
- **Student engagement:** The faculty and staff realize that our mission is to provide a distinctive and relevant education for our students. The students themselves have embraced the importance of learning outside of the classroom. Student leadership of our organizations thrives, and we are developing bright students who are able to influence others—the essence of leadership.
- **Alumni engagement and pride:** A university is only as strong as the support it receives from its alumni. Through significant effort and engagement, we have succeeded in building alumni pride. Alumni recognize the great education graduates receive from IIT, and we are proud of the extraordinary accomplishments of our alumni.
- **Trustees:** The Board of Trustees is responsible not only for ensuring the financial strength of IIT but also for shaping its vision and advancing the university’s strategic priorities. The membership of the board is diverse, knowledgeable, and dedicated to the improvement of IIT. Through their oversight, support, and advice, the trustees provide the long-term momentum upon which the faculty and staff rely.

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