The yet-to-open medical school of Nanyang Technological University has received a record donation of S$400 million (US$309 million), the largest contribution yet made to a tertiary institution here, writes Amelia Tan for The Straits Times.

The infusion of funds was triggered by a S$150 million donation from the Lee Foundation; the sum is itself the biggest private donation given to an educational cause in the island state. The government responded by putting S$250 million into the kitty of the school which will open in 2013.

Prime Minister Lee Hsien Loong had announced in his National Day rally speech last August that instead of matching endowed donations to the universities on a dollar-for-dollar basis as previously, it would provide 1.5-to-1 matching funds for up to 20 years.

New institutions such as the medical school will do better: they will get S$3 from the government for every donated dollar in an endowed fund for the first 10 years, and S$1.50 for every dollar thereafter.