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COLLEGES AND UNIVERSITIES RAISE \$37.45 BILLION IN 2014

Harvard Raises \$1.16 Billion

Gifts of Art Contribute to Strong Growth

Contributions to the Nation's Colleges and Universities Reach Historic High of \$37.45 Billion

Charitable contributions to colleges and universities in the United States increased 10.8 percent in 2014, according to the Voluntary Support of Education (VSE) survey, conducted by the Council for Aid to Education (CAE). This is the strongest gain in voluntary support since 2000, when giving to colleges increased 13.7 percent. At \$37.45 billion, the total is the highest recorded since the inception of the survey in 1957.

Giving from All Sources and for Both Current Operations and Capital Purposes Increases in 2014

The growth in giving was both strong and even in 2014. Gifts from alumni increased 9.4 percent, and gifts from nonalumni individuals increased 4.8 percent. Contributions from organizations increased by double-digit percentages. Gifts for current operations increased 7.9 percent. Gifts for capital purposes increased 15.1 percent.

Top 20 Fundraising Institutions Raise 28.6 Percent of All Gifts to U.S. Higher Education Institutions

The top 20 fundraising institutions together raised \$10.70 billion, 28.6 percent of the 2014 total. The top fundraiser was Harvard University, which raised \$1.16 billion. Following are the 20 institutions that raised the most in 2014.

Institutions that Raised the Most (and Amount Raised) in 2014

1. Harvard University (\$1.16 billion)
2. Stanford University (\$928.46 million)
3. University of Southern California (\$731.93 million)
4. Northwestern University (\$616.35 million)
5. Johns Hopkins University (\$614.61 million)
6. Cornell University (\$546.09 million)
7. University of Texas at Austin (\$529.39 million)
8. University of Pennsylvania (\$483.57 million)
9. University of Washington (\$478.07 million)
10. Columbia University (\$469.97 million)
11. New York University (\$455.72 million)
12. University of California-San Francisco (\$444.94 million)
13. Duke University (\$437.38 million)
14. University of Michigan (\$432.60 million)
15. Yale University (\$430.31 million)
16. University of California-Los Angeles (\$430.28 million)
17. University of Chicago (\$405.35 million)
18. University of California-Berkeley (\$389.93 million)
19. Massachusetts Institute of Technology (\$375.03 million)
20. Indiana University (\$341.31 million)

Strong Stock Market Boosts Capital-Purpose Gifts and Endowment Values

Between the first and last trading days of the academic fiscal year, the major stock indexes increased by double-digit percentage rates. Stock values affect the level and volume of gifts for capital purposes, which are often made in the form of securities. The value of the market also affects other forms of giving because it affects personal and institutional wealth, the foundation of philanthropic capacity.

University endowment levels are also affected by the performance of the stock market, in part because gifts to endowment are influenced by the market, but also because the value of stocks affects the return on investment of institutions' endowment assets. In the aggregate, the value of the endowments of 959 institutions that supplied endowment figures by January 10, 2015, increased 15 percent.

Closing Value of Stock Indexes from Beginning to End of the Fiscal Year 2014

	Dow Jones Industrial Average	NASDAQ Composite	New York Stock Exchange Composite	Standard & Poor's 500
July 1, 2013	14,974.96	3,434.49	9,167.88	1,614.96
June 30, 2014	16,826.60	4,408.18	10,979.42	1,960.23
Percentage Change	12.4%	28.4%	19.8%	21.4%

Harvard Raises \$1.16 Billion, the Most Ever Reported

Harvard University raised \$1.16 billion in 2014, the first public year of its \$6.5 billion capital campaign. The university raised 45.9 percent more in 2014 than in 2013. Harvard is one of only two institutions to have raised more than \$1 billion in a single year. The other, Stanford University, raised \$1.03 billion in 2012, also 45.9 percent more than it raised the previous year.

Five Institutions Report 9-Digit Gifts, Totaling \$698.55 Million

Five institutions reported receiving single gifts of \$100 million or more. These gifts totaled \$698.55 million. In 2013, three institutions reported gifts of this magnitude. The first time an institution reported a 9-digit gift on the VSE survey was in 1986, when Washington University in St. Louis received \$100 million. In 1986, giving to colleges and universities increased 17.1 percent, reaching \$7.40 billion.

Gifts of Art Among the Year's Reported Mega-Gifts

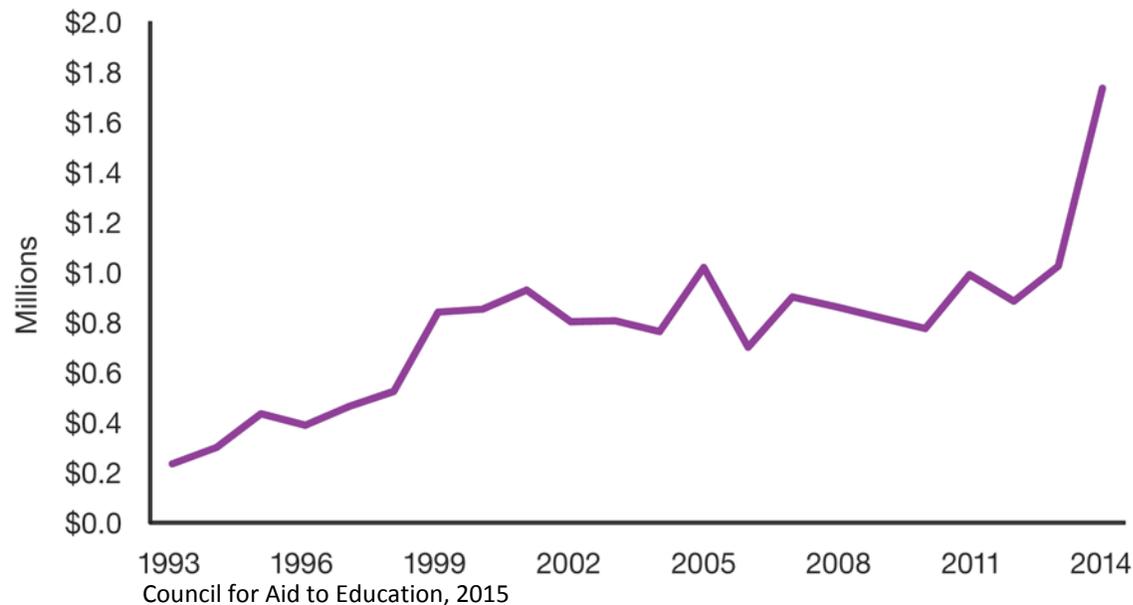
This year's 9-digit gifts included two gifts of art, one to University of Texas at Austin valued at \$216.62 million, and one to Colby College valued at \$102.60 million. A \$115.60 million gift to the University of the Pacific was predominantly monetary but also included art as well as funds to maintain the institution's permanent art collection.

In 2013, Hackley School, a private precollege institution in Tarrytown, NY, received a bequest of three paintings that were auctioned and valued on the VSE survey at \$49.27 million. Hackley's giving increased from \$4.73 million in 2012 to \$55.35 million in 2013.

Stanford University announced in September 2014 that it had received 121 works by 86 artists, including Jackson Pollock, Mark Rothko, and Willem de Kooning. The collection is a gift from Harry W. and Mary Margaret Anderson and their daughter, Mary Patricia Anderson Pence. The university has constructed a 33,327 square-foot building exclusively for the collection within its expanding campus arts district. The gift will be included on Stanford's 2015 survey.

CAE has been collecting data on gifts of appreciated property since 1993. Eliminating real estate and securities from the totals, the data suggest that the number and value of gifts of art may be increasing. Only about one-third of respondents (327 in 2014) provide data for the optional question on this topic, and these gifts include other forms of property. However, gifts of art figure prominently in the totals. The average value of these gifts has climbed between 1993 and 2014, as illustrated in the figure below.

Average Value of Reported Gifts of Property per Responding Institution (Data do not include real estate or securities.)



Alumni Giving Increases, but Alumni Participation Rate Declines

Giving from alumni increased 9.4 percent in 2014, and the average gift per contributing alumnus increased 25.5 percent, reaching \$1,535. Among 718 survey respondents that provided details on components of alumni giving, gifts from alumni for current operations declined 3 percent. Alumni contributions for capital purposes—endowments, property, buildings, equipment, and loan funds—increased 13.5 percent.

Alumni participation declined to 8.3 percent in 2014, down from 8.7 percent in 2013. However, the number of alumni donors increased 1.2 percent. The number of alumni for whom the reporting institutions have a means of contact (called the number of record) increased 7.1 percent. Participation is calculated by dividing the number of alumni donors by the number of alumni of record. When the number of alumni of record increases more than the number of donors increases—nearly a certainty in recent years when contact information is relatively easy to obtain—alumni participation will decline.

Survey director, Ann E. Kaplan stated, “Alumni participation does not tell you the whole story about alumni loyalty, and it is certainly not a valid measure of overall quality of an institution, broadly speaking. The only way to use the statistic effectively is as a benchmark with peer institutions.”

“Some institutions with high participation rates have poor alumni records,” Ms. Kaplan continued. “An institution that has fewer than seven alumni of record for each enrolled student should focus on improving its alumni database, even if that practice temporarily reduces its statistical participation rate. Institutions should not sacrifice good practices for the sake of appearance.”

Will Contributions to U.S. Colleges Continue to Climb in 2015?

It is challenging to forecast giving to higher education institutions. In part, this is because of the relative importance of large gifts. On average, twelve large gifts accounted for 33.4 percent of all gifts reported on the typical VSE survey in 2014. The payment schedule of these major gifts is not based solely on current economic circumstances. While charitable giving is certainly affected by the economy, and the U.S. economy is relatively strong, the 2015 academic fiscal year does not end for another five months. Most important, even the best data do not capture a key factor in university fundraising—the practices of university advancement professionals.

Survey director, Ann E. Kaplan, stated, “Giving is likely to increase again in 2015, but the level of that increase cannot be measured until the fiscal year ends and data become available.”

Summary Data for the 2014 Survey Findings

Estimated Voluntary Support of Higher Education by Source and Purpose, 2013 and 2014

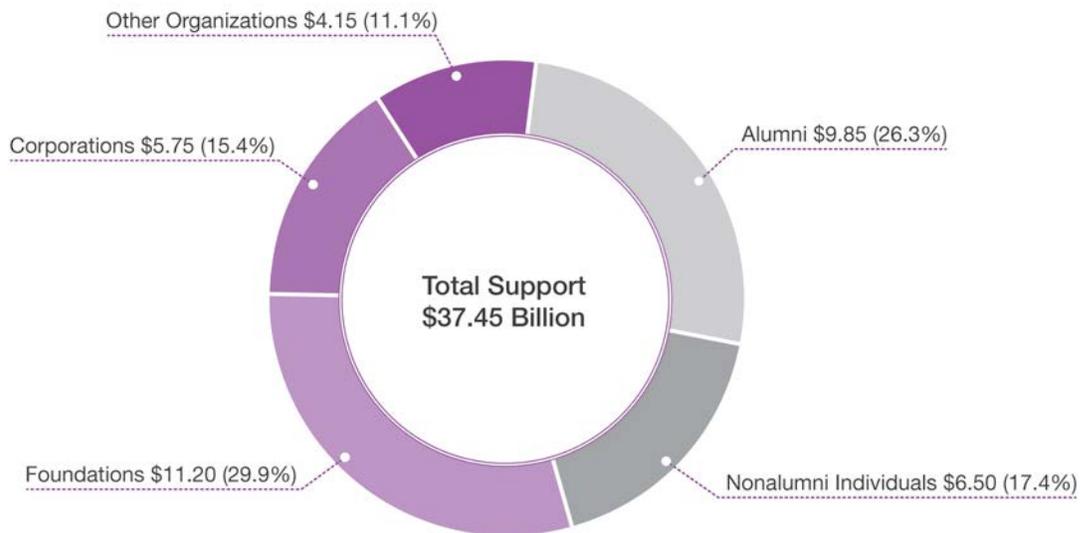
(Dollars in Millions)

	2013		2014		Percentage Change 2013 to 2014	
	Amount Raised	Percentage of Total	Amount Raised	Percentage of Total	Current \$	Adj. for Inflation
Total Voluntary Support	\$33,800	100.0	\$37,450	100.0	10.8	8.9
Source						
Alumni	\$9,000	26.6	\$9,850	26.3	9.4	7.5
Nonalumni Individuals	6,200	18.3	6,500	17.4	4.8	3.0
Corporations	5,100	15.1	5,750	15.4	12.7	10.8
Foundations	10,000	29.6	11,200	29.9	12.0	10.1
Other Organizations	3,500	10.4	4,150	11.1	18.6	16.5
Purpose						
Current Operations	\$20,200	59.8	\$21,800	58.2	7.9	6.1
Capital Purposes	13,600	40.2	15,650	41.8	15.1	13.1

Percentages may not add to 100 and details may not sum to totals due to rounding.

Source: Council for Aid to Education, 2015

Voluntary Support of Higher Education by Source, 2014



Percentages do not add to 100 due to rounding.

Source: Council for Aid to Education, 2015

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The Council for Aid to Education (CAE) is grateful to the Council for Advancement and Support of Education (CASE) for its sponsorship of the Voluntary Support of Education (VSE) survey.

About CAE

CAE is a national nonprofit organization based in New York City. It is the nation's sole source of empirical data on private giving to education, through the annual VSE survey and its Data Miner interactive database.

In addition, CAE is committed to improving the quality of education, with a specific focus on higher-order, 21st-century skills, such as critical thinking, problem solving, and effective communication. The Collegiate Learning Assessment (CLA+)—for institutions of higher education—and College & Work Readiness Assessment (CWRA+)—for middle and high schools—are central to that focus. CAE created a performance-based assessment model and developed direct measures of critical thinking and written communication skills. University and precollege administrators and faculty use the results to guide improvements to academic programs. Students use the results to illustrate to college admissions offices and prospective employers that they possess the in-demand skills necessary for college and career success.

Published Survey Results

The comprehensive results of the VSE survey will be published in spring 2015. *Voluntary Support of Education, 2014*, can be ordered in advance at <https://shop.cae.org> or by calling 212-217-0878. Price: \$115 (\$80 for survey respondents). The 2014 VSE PowerPoint Presentation featuring all the figures and numbered tables (but not tables of institution-specific data) from the report, along with speaking points, can also be ordered in advance. Price: \$75 (\$25 when ordered with the report). An online Executive Summary is available in advance of the book publication date. The password to this summary will be provided after purchase. Please go to <http://cae.org/vsepublication> for information on our other research products and tools.