COLLEGES AND UNIVERSITIES RAISE $31 BILLION IN 2012
2.3 PERCENT INCREASE IS ONLY SLIGHTLY AHEAD OF INFLATION

Contributions to the Nation’s Colleges and Universities at $31 Billion
Charitable contributions to colleges and universities in the United States increased 2.3 percent in 2012, according to the Voluntary Support of Education (VSE) survey, conducted by the Council for Aid to Education (CAE). At $31 billion, the total is still below 2008’s historical high of $31.6 billion. Adjusting for inflation, giving is virtually unchanged, inching up just 0.2 percent.

Just over half (52.8 percent) of the reporting institutions raised at least the same amount in 2012 as they did in 2011. The remaining 47.2 percent reported a decline in giving over the same period. The average and the median percentage change were both 1.9 percent.

Contributions for current operations increased 6.2 percent, which is the main cause for the modest increase in overall contributions. Current operations gifts can be used to meet current-year expenditures and represent 4.1 percent of college expenditures in 2012. Gifts for capital purposes, such as endowments and buildings, declined 3.2 percent. Capital purpose gifts, particularly gifts to endowment and deferred gifts, create future income streams.

Precollege Survey Respondents Report Decline in Gifts
Precollege survey respondents reported that contributions declined 3.4 percent during the 2012 fiscal year. The average amount these institutions raised for capital purposes declined 6.8 percent. Current operations giving increased 3.3 percent. CAE does not estimate total giving to precollege institutions, given the small number and the composition of responding institutions. However, responding institutions primarily represent private schools that have a long history of fundraising. It is likely these institutions fared better than nonrespondents.

Top Fundraising Institution, Stanford University, Raises $1.03 Billion
Stanford University is the first institution to raise over $1 billion in a single year. It has raised more than any other university in each of the past 8 years. Over the past 30 years, it was the top fundraising institution 14 times. Harvard University raised the most in 15 of those years. The University of Southern California, Los Angeles (UCLA) raised the most once, in 2002.

Highest Totals per Student
The highest reported amount raised per enrolled student was $590,719, by University of Texas M.D. Anderson Cancer Center, a specialized health institution. The 20 institutions that raised the most per student also include five medical schools and five schools of theology. Deep Springs College, a private two-year college, is fourth on this list. Also appearing on the list are two private liberal arts colleges, Hillsdale College and Amherst College. The remaining six institutions are private research universities: Stanford University, Yale University, California Institute of Technology, Massachusetts Institute of Technology, Princeton University, and Harvard University.
Institutions that Raised the Most per Student (and Amount Raised per Student), 2012

1. University of Texas M.D. Cancer Center ($590,719)
2. University of Texas Health Center at Tyler ($163,225)
3. University of California, San Francisco ($69,864)
4. Deep Springs College ($67,334)
5. Stanford University ($55,745)
6. University of Texas Southwestern Medical Center at Dallas ($48,669)
7. Yale University ($45,803)
8. California Institute of Technology ($44,576)
9. Hillsdale College ($41,506)
10. Amherst College ($36,399)
11. Massachusetts Institute of Technology ($34,795)
12. Phillips Theological Seminary ($34,611)
13. Saint Meinrad Seminary and School of Theology ($34,512)
14. Baylor College of Medicine ($33,528)
15. Union Theological Seminary & Presbyterian School of Christian Education ($32,877)
16. Oregon Health & Science University ($32,677)
17. Princeton University ($31,306)
18. Harvard University ($30,892)
19. Anabaptist Mennonite Biblical Seminary ($30,800)
20. Bethany Theological Seminary ($27,907)

Stock Market Affects Capital Purpose Gifts
Higher education fundraising appeals are concentrated at the end of the calendar year and the end of the fiscal year, which is most often June 30th. Between the beginning of the fiscal year (July 1, 2011) and the end of the 2011 calendar year, the New York Stock Exchange (NYSE) index declined by 11.2 percent. It also declined—by 7.4 percent—during the fiscal year. Changes in the value of stocks are correlated with changes in the level of giving for capital purposes. The decline in giving for capital purposes in the 2012 fiscal year follows this pattern. Almost 70 percent of capital purpose gifts reported on the VSE survey are gifts to endowment.

Endowment Values Stagnate
The average endowment reported on the survey, which increased 16.7 percent in 2011, did not change in 2012. The median also remained the same. More than half (55.7 percent) of the institutions reported their endowment values declined. The remaining 44.3 percent reported either no change or an increase.
Gifts to endowment declined, as reported above, but that alone would not explain the stagnation of endowment values. Other factors, such as expenditures and investment outcomes, contributed to the stasis.

**Alumni Giving and Participation Decline**

Alumni giving declined 1.3 percent in 2012. Evidence from the survey suggests the decline was due to a decline in giving for capital purposes. The average alumni gift declined by 1.4 percent. However, the average gift per alumnus for current operations increased 10.8 percent. The decline in the average gift, then, was caused by a drop in the average gift for capital purposes.

In addition, alumni participation—the percentage of alumni making gifts—declined, from 9.5 percent in 2011 to 9.2 percent in 2012. Undergraduate alumni participation also declined, from 11.6 percent to 11.2 percent. Alumni participation is calculated by dividing the number of donors by the number of record (individuals for whom the institution has a means of contact).

Two phenomena drove the decline. The number of alumni of record increased, and the number of donors declined. The more significant factor is the increase in the number of good addresses institutions have in their databases. So, in part, the decline in participation is a positive sign that institutions are keeping better records.

**Foundations, Corporations, and Nonalumni Individuals Drove Giving Increase**

Gifts from foundations increased 5.5 percent in 2012. Corporate contributions were up 4.6 percent. Nonalumni individuals increased their contributions by 3.1 percent.

### Estimated Voluntary Support of Higher Education by Source and Purpose, 2012

(Dollars in Millions)

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount Raised</th>
<th>Percentage of Total</th>
<th>Amount Raised</th>
<th>Percentage of Total</th>
<th>Percentage Change 2011 to 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Voluntary Support</strong></td>
<td><strong>$30,300</strong></td>
<td><strong>100.0</strong></td>
<td><strong>$31,000</strong></td>
<td><strong>100.0</strong></td>
<td><strong>2.3</strong></td>
</tr>
<tr>
<td><strong>Source</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Current $</td>
</tr>
<tr>
<td>Alumni</td>
<td>$7,800</td>
<td>25.7</td>
<td>$7,700</td>
<td>24.8</td>
<td>-1.3</td>
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<tr>
<td>Nonalumni Individuals</td>
<td>5,650</td>
<td>18.6</td>
<td>5,825</td>
<td>18.8</td>
<td>3.1</td>
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<td>Corporations</td>
<td>5,020</td>
<td>16.6</td>
<td>5,250</td>
<td>16.9</td>
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<td>Foundations</td>
<td>8,675</td>
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<td>9,150</td>
<td>29.5</td>
<td>5.5</td>
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<tr>
<td>Religious Organizations</td>
<td>305</td>
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<td>275</td>
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<td>Other Organizations</td>
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<td>9.4</td>
<td>2,800</td>
<td>9.0</td>
<td>-1.8</td>
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<tr>
<td><strong>Purpose</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Current $</td>
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<td>Current Operations</td>
<td>$17,800</td>
<td>58.7</td>
<td>$18,900</td>
<td>61.0</td>
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<td>Capital Purposes</td>
<td>12,500</td>
<td>41.3</td>
<td>12,100</td>
<td>39.0</td>
<td>-3.2</td>
</tr>
</tbody>
</table>

Source: Council for Aid to Education, 2013
Bloomberg Gift to Johns Hopkins University
Michael R. Bloomberg’s $350 million pledge to Johns Hopkins University is no doubt on the minds of those interested in charitable giving data. The extent to which this gift, announced on January 26, 2012, will show up in FY2013 data depends on whether part of that pledge is paid before June 30, 2013, the end of the fiscal year covered in the next survey.

Survey Director States Giving May Increase in 2013
Survey director, Ann E. Kaplan, stated, “At the time of this release, the signs are positive for 2013. However, no one knows precisely how strong the economy will be in June, when universities make their fiscal year-end appeals. And, many other factors matter, including tax legislation, the incidence and value of major gifts, and the cases individual institutions advance for support.”

Ms. Kaplan added, “Forecasting the level of philanthropy is only valuable if it provides reliable data that enable institutions to make better decisions. It is too soon to accurately forecast how much will be raised in 2013. Such a forecast—even one that coincidentally turns out to be accurate—could be a distraction to advancement professionals. Indeed, those professionals themselves affect the numbers. Better to consider that it is never too soon to make a case for support and to maintain strong relationships with those who care about your institution.”

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

About the Council for Aid to Education
The Council for Aid to Education (CAE) is a national nonprofit organization based in New York City. CAE is the nation's sole source of empirical data on private giving to education, through the annual Voluntary Support of Education (VSE) survey and its Data Miner interactive database.

In addition, CAE is committed to improving the quality of and access to higher education. The Collegiate Learning Assessment (CLA) is central to that focus. CLA is a national effort to assess the quality of undergraduate education by directly measuring student learning outcomes. CAE created a performance-based assessment model and developed direct measures of critical thinking and written communications skills. University administrators and faculty use the results to guide improvements to academic programs. CAE also conducts research on and promotes policy reforms in higher education.

Published Survey Results
The comprehensive results of the VSE survey will be published in spring 2013. Voluntary Support of Education, 2012, can be ordered in advance at https://shop.cae.org or by calling 212-217-0878. Price: $100 ($65 for survey respondents). An online Executive Summary is available to book purchasers. The password to this summary will be provided at the time of purchase. A PowerPoint presentation on CD with key tables, charts, and talking points will be available as well. Price: $75 ($25 if ordered with a book). Shipping and handling: $6 per book and $3 per CD.