

CASE InsightsSM **on Voluntary Support** **of Education** **(United States)**

2022 KEY FINDINGS

**COUNCIL FOR ADVANCEMENT
AND SUPPORT OF EDUCATION**



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CASE InsightsSM



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AND SUPPORT OF EDUCATION

Advancing education to transform lives and society.

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Foreword by CASE President and CEO

I am pleased to introduce the 65th annual report on findings from the Council for Advancement and Support of Education's (CASE) Voluntary Support of Education (VSE) survey, the definitive source of data that measure the level of philanthropic support for nonprofit and public higher education institutions in the United States.

These data are evidence that higher education institutions matter. Donors support these institutions, whose work plays a crucial role in transforming communities and society. These institutions educate students and prepare them for careers, civic engagement, and leadership. They conduct research that benefits us all. They directly enhance society by offering vital services, community, and cultural experiences.

The results we see in this release of data on philanthropy in 2022 underscores the value placed on higher education institutions and their mission to prepare generations of students and alumni to lead productive lives. The findings also show the commitment of institutional and academic leaders and advancement professionals to building relationships with constituents. Donors believe in the missions of the colleges and universities they support. Such institutions are seen as good stewards of these voluntary contributions.

At CASE, we understand that philanthropic support is often the result of years of strategic efforts by professional advancement staff working closely with academic and institutional colleagues and potential donors. We also know that philanthropy does not always trend upward. Although overall giving increased during the survey cycle, support to some institutions declined. This is not necessarily concerning; this work has a long-term focus and is best measured in three- to five-year averages as well as in these annual results. Substantial gifts may affect variances.

The CASE VSE is the world's longest-running survey on philanthropic support of education institutions. It is grounded in the CASE reporting standards, ensuring consistency in reporting across institutions. In 2021, CASE issued the first global version of these guidelines, the *CASE Global Reporting Standards*. A benefit of this global approach to data is that we can start to track what are called new funds committed. New funds committed include pledges, which have always been part of the survey, and funds received in the current year that were not previously pledged. Combined, new pledges and previously undocumented gifts gauge the outcomes of efforts to secure gifts in a single year.

As part of its research and benchmarking work worldwide, CASE annually surveys institutions in Australia, Canada, Ireland, New Zealand, and the United Kingdom. These global surveys have historically tracked new funds committed as well as new funds received. In 2022, the VSE adopted this important measure used by its global peers.

Also new this year are discrete questions about giving through donor-advised funds. This change reflects a mode of giving within the United States that CASE deemed vital to track independent of corporate, foundation, and other organization giving. After a few more survey cycles have been completed, those who use survey data will have better insights into the significance of this mode of giving for institutional philanthropy.

CASE's data, standards, and research help advancement professionals understand their work in a global context. CASE InsightsSM offers philanthropic benchmarks for Australia and New Zealand, Canada, the United Kingdom and Ireland, and the United States. This research provides the basis for transparent, consistent, and ethical reporting of charitable contributions to nonprofit and public educational institutions across the globe.

The CASE Alumni Engagement Metrics survey, which has respondents from 16 countries, provides data about the engagement patterns of a key institutional constituency: alumni. These and other CASE InsightsSM activities enable CASE to create benchmarks across and within countries as well as across different types of institutions.

I am immensely grateful to all those involved in achieving these transformational outcomes for education. These results demonstrate remarkable leadership and dedication from advancement professionals, institutional leaders, and donors. I convey my warmest appreciation to all who participated in the 2022 survey and to all who work to advance education to transform lives and society.

Sue Cunningham

President and CEO, CASE

Introduction

The Voluntary Support of Education (VSE) annual survey has collected data on fundraising outcomes at higher education institutions in the United States since 1957. It is the nation's longest-running and definitive survey on such information. Data from the survey are used to estimate total charitable support of all institutions of higher education in the nation, including nonrespondents.

In March 2021, CASE published the *CASE Global Reporting Standards*.¹ The VSE survey adopted those standards for the 2022 survey. The standards do not greatly affect the amount raised, but they clarify how to value certain transactions. The survey instrument was modified to adhere to the standards. This opportunity for change enabled CASE to retire certain questions and allowed for more detailed responses to other questions. A short version of the survey was offered to institutions upon request. That version was more concise than the previous shortest interface.

Among the changes to the 2022 survey is that donor-advised funds (DAFs) appear as a distinct donor type, an addition considered crucial given the significant role such entities play in contemporary philanthropy. In addition, several optional questions were added to the survey. These questions allow institutions to report on giving by types of alumni in finer detail than was available in past surveys. There is also a new question about participation and amounts given by different graduation cohorts. Finally, two new questions offer respondents the opportunity to report on the number and value of gifts by gift bands and types of donors.

In Figure 1, the main summary table in this report, all organization types are collapsed into a single category. Some institutions were not yet able to report on DAFs as separate entities. However, in most tables, including those in the summary findings that will be published in the spring, institutions that did not report on DAFs could be eliminated from analysis.

For those questions, a detailed breakdown for types of supporting organizations will be provided.

This report offers a summary of the key findings from the 2021–22 academic fiscal year. A more detailed report on the findings will be available for purchase in spring 2023. The raw survey data are available in the CASE InsightsSM data portal, formerly known as AMAtlas Data Miner. The portal is a CASE member benefit and is available to non-educational institutions by subscription.

Findings

CHARITABLE GIVING TO U.S. COLLEGES AND UNIVERSITIES REACHED \$59.50 BILLION IN 2022

According to the VSE survey, voluntary support of U.S. higher education institutions totaled \$59.50 billion in the fiscal year that ended on June 30, 2022. That is an increase of 12.5% —\$6.6 billion—over the previous fiscal year.

Among the 781 institutions that reported in 2021 and 2022, support increased 11%. Nearly two-thirds of this core group reported their charitable giving totals increased by an average of 25.7%. The one-third that lost ground reported that giving declined 20.6%. Thus, nearly twice as many institutions reported that giving increased as reported it declined in 2022. Moreover, those with gains reported a steeper change than did those reporting losses.

GIFTS FROM ALL SOURCES INCREASED IN 2022

As shown in Figure 1, giving from both individuals and organizations increased in 2022. Alumni giving grew 10.2%; nonalumni individuals gave 8% more. Contributions from organizations rose 14.6%. Figure 1 also illustrates that gifts for both capital purposes and current operations increased.

All types of organizations—foundations, corporations, DAFs, and other organizations—are

Figure 1: Estimated Voluntary Support of Higher Education by Source and Purpose, 2021 and 2022ⁱⁱ
(Dollars in Millions)

| | 2021 | | 2022 | | Percentage Change 2021 to 2022 | |
|--------------------------------|------------------|------------------------|------------------|------------------------|-----------------------------------|-----------------------|
| | Amount Raised | Percentage of Total | Amount Raised | Percentage of Total | Current \$ | Adj. for Inflation |
| Total Voluntary Support | \$52,900 | 100.0 | \$59,500 | 100.0 | 12.5 | 4.7 |
| Source | | | | | | |
| Alumni | \$12,250 | 23.2 | \$13,500 | 22.7 | 10.2 | 2.6 |
| Nonalumni Individuals | 8,800 | 16.6 | 9,500 | 16.0 | 8.0 | 0.5 |
| Organizations | 31,850 | 60.2 | 36,500 | 61.3 | 14.6 | 6.7 |
| Purpose | | | | | | |
| Current Operations | \$32,300 | 61.1 | \$34,250 | 57.6 | 6.0 | -1.3 |
| Capital Purposes | 20,600 | 38.9 | 25,250 | 42.4 | 22.6 | 14.1 |

combined in this year's release of data. For the first time, DAFs were counted separately on the survey. In prior survey years, these entities should have been counted in the category called "other organizations," but some of their activity was, in fact, being recorded in corporate or foundation giving.

When we calculate their giving separately, foundations, corporations, and other organizations all gave more in 2022 than in 2021. However, it is likely that growth in foundation and corporate giving appears lower than it is because there are now few, if any, instances where respondents are counting DAFs in these categories. The total from organizations remains a valid data point, and within a year or two, more stratified data will again be available.

RESTRICTED GIFTS TO ENDOWMENTS AND CURRENT OPERATIONS DROVE INCREASE

The increase in giving was concentrated in restricted endowment gifts, followed by restricted gifts for current operations. These are the two most common purposes to which donors direct their gifts. Gifts to endowments primarily support student financial aid, and donors most often restrict current operations gifts to support research, as illustrated in Figure 2.

STOCK MARKET PLAYED A SIGNIFICANT ROLE IN RESULTS

The timing of charitable contributions, particularly large gifts, is strongly influenced by the performance of the stock market. Institutions ask for contributions most at the end of the calendar year, when tax planning affects giving most, and at the end of the fiscal year. During the first six months of the fiscal year, stock market indexes rose. However, donors were likely influenced by the change in stock values from the start of the calendar year to its end. During that period, the stock market, represented by the four major indexes shown in Figure 3, grew by double-digit percentages. By the end of the fiscal year, most major stock market indexes had declined, which may have dampened fundraising outcomes toward the end of the fiscal year. Still, the calendar-year environment appears to have driven the results.

ⁱⁱ Due to rounding, dollar totals in tables and figures may not add up and percentages may not equal 100.

Figure 2: Purposes of Restricted Gifts, 2022

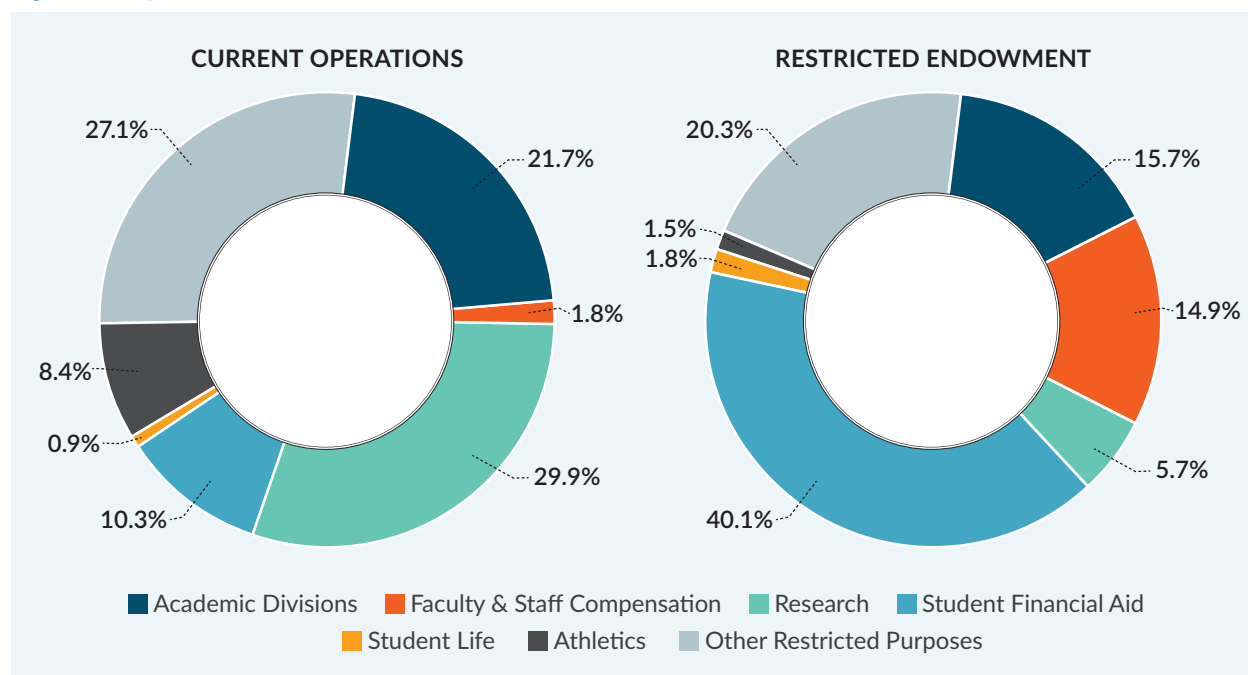


Figure 3: Values of Stock Market Indexes During the Period Studiedⁱⁱⁱ

| | Dow Jones Industrial Average | NASDAQ Composite | New York Stock Exchange Composite | Standard & Poor's 500 | |
|---|------------------------------|------------------|-----------------------------------|-----------------------|-------------------------------|
| 1/4/2021 (Open) | 30,627.5 | 12,958.5 | 14,601.5 | 3,764.6 | |
| 7/1/2021 (Open) | 34,507.3 | 14,493.7 | 16,555.3 | 4,300.7 | |
| 12/31/2021 (Close) | 36,338.3 | 15,645.0 | 17,164.1 | 4,766.2 | |
| 6/30/2022 (Close) | 30,775.4 | 11,028.7 | 14,487.6 | 3,785.4 | |
| Start of Calendar Year– End of Calendar Year | 18.6% | 20.7% | 17.6% | 26.6% | Tax Planning |
| Start of Fiscal Year– End of Calendar Year | 5.3% | 7.9% | 3.7% | 10.8% | Calendar-Year-End Fundraising |
| Start of Fiscal Year– End of Fiscal Year | -10.8% | -23.9% | -12.5% | -12.0% | Fiscal-Year-End Fundraising |

CONTRIBUTIONS TO MOST TYPES OF INSTITUTIONS INCREASED

As shown in Figure 4, contributions to all institution types except public master’s institutions and associate’s institutions rose. Contributions to reporting two-year colleges declined 15.4%. A variety of activity underlies this finding, with some institutions reporting very large increases and others reporting stable or declining gift

revenue. Significantly, many of these institutions received gifts of unprecedented value from philanthropist MacKenzie Scott in the fiscal year 2021. While these were one-time contributions, they transformed some institutions, enabling them to enhance their programming and offering them more stability. Several public master’s institutions were also recipients of Scott’s gifts in FY 2021.

Due to rounding, dollar totals in tables and figures may not add up and percentages may not equal 100.

Figure 4: Voluntary Support by Type of Institution, 2021 and 2022
(Dollars in Thousands)

| Type of Institution | Number Reporting | 2021 | | 2022 | | % Change in Total Support |
|-------------------------------|------------------|---------------------|-------------------------|---------------------|-------------------------|---------------------------|
| | | Amount | Average per Institution | Amount | Average per Institution | |
| Multiple Campuses | | | | | | |
| Public | 17 | \$4,400,364 | \$258,845 | \$4,811,905 | \$283,053 | 9.4 |
| Research/Doctoral | 275 | 29,639,633 | 107,780 | 33,236,188 | 120,859 | 12.1 |
| Private | 113 | 16,533,803 | 146,317 | 18,234,874 | 161,371 | 10.3 |
| Public | 162 | 13,105,830 | 80,900 | 15,001,314 | 92,601 | 14.5 |
| Master's | 196 | 1,828,195 | 9,328 | 1,836,984 | 9,372 | 0.5 |
| Private | 89 | 868,648 | 9,760 | 894,265 | 10,048 | 2.9 |
| Public | 107 | 959,548 | 8,968 | 942,720 | 8,810 | -1.8 |
| Baccalaureate | 167 | 2,874,084 | 17,210 | 3,228,035 | 19,330 | 12.3 |
| Private | 135 | 2,697,588 | 19,982 | 3,019,891 | 22,370 | 11.9 |
| Public | 32 | 176,496 | 5,515 | 208,144 | 6,504 | 17.9 |
| Specialized | 31 | 1,756,552 | 56,663 | 1,939,017 | 62,549 | 10.4 |
| Private | 14 | 183,960 | 13,140 | 215,530 | 15,395 | 17.2 |
| Public | 17 | 1,572,593 | 92,505 | 1,723,486 | 101,382 | 9.6 |
| Associate's | 95 | 308,614 | 3,249 | 260,975 | 2,747 | -15.4 |
| Private | 0 | | | | | |
| Public | 95 | 308,614 | 3,249 | 260,975 | 2,747 | -15.4 |
| Total All Institutions | 781 | \$40,807,443 | \$52,250 | \$45,313,103 | \$58,019 | 11.0 |

These statistics reflect amounts reported by 781 institutions providing complete data both years.

GIFTS OF \$100 MILLION OR MORE AND TOP FUNDRAISING INSTITUTIONS

In 2022, there were seven gifts of \$100 million or more. These gifts accounted for 1.8% of total support, a somewhat lower number of gifts and percentage of the total than in recent years. Among these large donors were four foundations, two DAFs, and one living individual. None were corporations or bequests.

The 20 institutions that raised the most in 2022 received a total of \$15.72 billion, which is 26.4% of the annual total. That is a marginally smaller percentage than 10 years ago, when they raised 27.6% of the total. Nine of the top fundraisers are public institutions, and 11 are private. Most are research/doctoral institutions.

Figure 5: Gifts of \$100 Million or More 2019–2022

| | # of Gifts | Total \$ | % of Total Support |
|------|------------|----------------|--------------------|
| 2019 | 8 | \$2.20 Billion | 4.4% |
| 2020 | 7 | \$1.01 Billion | 2.0% |
| 2021 | 9 | \$1.46 Billion | 2.8% |
| 2022 | 7 | \$1.08 Billion | 1.8% |

GIFT DISTRIBUTION BY SIZE AND NUMBER OF GIFTS

Data from a new question on gift bands allows us to calculate the average number of gifts institutions receive. The average respondent among a total of 217 reported receiving 13,165 gifts totaling \$81.76 million. Although it is better to compare such data with like institutions instead of a self-selected

sample, over time we will be able to gauge whether larger gifts are growing in significance as a percentage of total giving.

The aggregated group of donors that gave more than \$5,000 to responding institutions in the reporting year included 5.1% of the donors but 95% of the total amount received for the year.

Figure 6: Distribution of Total Support by Gift Band, 2022

| | <u>Percentage of \$</u> | <u>Percentage of #</u> |
|---------------------------|-------------------------|------------------------|
| \$25,000,000+ | 13.8% | <1% |
| \$10,000,000–\$24,999,999 | 10.4% | <1% |
| \$5,000,000–\$9,999,999 | 9.2% | <1% |
| \$1,000,000–\$4,999,999 | 23.6% | 0.1% |
| \$250,000–\$999,999 | 15.1% | 0.2% |
| \$100,000–\$249,999 | 9.1% | 0.4% |
| \$50,000–\$99,999 | 4.7% | 0.4% |
| \$25,000–\$49,999 | 3.5% | 0.6% |
| \$10,000–\$24,999 | 3.6% | 1.5% |
| \$5,000–\$9,999 | 2.0% | 1.9% |
| \$2,500–\$4,999 | 1.3% | 2.3% |
| \$1,000–\$2,499 | 1.6% | 7.1% |
| \$500–\$999 | 0.7% | 6.7% |
| \$100–\$499 | 1.1% | 36.8% |
| Under \$100 | 0.4% | 42.1% |
| N = 217 | | |

GIVING FROM ALUMNI BY GRADUATION COHORT, LEVEL OF SUPPORT, AND PARTICIPATION

Beginning this year, the VSE survey asked about giving from alumni by graduation cohort. Two hundred institutions responded to that question, which asks for both hard- and soft-credit records. As shown in Figure 7, the percentage of legally contactable alumni who give and the amount they give tend to increase after the 20th year post-

graduation. It is important to engage alumni early to establish and preserve relationships and thereby garner larger contributions as individuals become more connected and financially solvent.

Those who graduated 21 years ago or before gave 88.9% of total alumni support. More recent graduates gave 11.2% of the total. In addition, the participation rates of recent alumni are lower than those of their peers who graduated earlier.

Figure 7: Alumni Support and Participation by Graduation Cohort, 2022

| | <u>Percentage of \$</u> | <u>Percentage Who Gave</u> |
|-----------------|-------------------------|----------------------------|
| 0–5 Years Out | 0.6% | 6.4% |
| 6–10 Years Out | 0.9% | 5.3% |
| 11–20 Years Out | 4.7% | 5.5% |
| 21–30 Years Out | 8.1% | 8.1% |
| 31–40 Years Out | 20.8% | 10.1% |
| 41–50 Years Out | 22.2% | 12.5% |
| 50+ | 37.8% | 14.6% |
| Non-Degreed | 5.0% | 2.1% |
| N = 200 | | |

CASE GLOBAL REPORTING STANDARDS

In March 2021, CASE published the *CASE Global Reporting Standards*^{iv} (previously *CASE Reporting Standards and Management Guidelines*). The VSE survey first adopted the standards for the 2022 VSE survey. Data from that survey were used for this brief. The standards do not greatly affect gift totals.

The global standards are anchored by the following principle: Educational philanthropy is the

voluntary act of providing private financial support to nonprofit educational institutions. To be categorized as philanthropy according to CASE standards, such financial support must be provided for the sole purpose of benefiting the institution's mission and its social impact, without the expressed or implied expectation that the donor will receive anything more than recognition and stewardship as the result of such support.

Endnotes

- i. Council for Advancement and Support of Education (CASE), *CASE Global Reporting Standards* (Washington, D.C.: CASE, 2021.)
- ii. Note that the response rate among types of institution varies, and one cannot extrapolate findings from these tables to all institutions. For example, only 11.2% of associate's (two-year) colleges responded to the survey. Therefore, comparing the amount that reporting associate's colleges raised with the amounts raised by other reporting institutions with higher response rates leads to an invalid conclusion. Moreover, nonrespondents tend to raise less than respondents. One cannot add another 88.8% to arrive at a valid total. This is a common error in using the VSE data.
- iii. "U.S. & Americas Stock Indexes," *Wall Street Journal*, accessed January 4, 2023, [wsj.com/market-data/stocks/us/indexes](https://www.wsj.com/market-data/stocks/us/indexes).
- iv. *CASE Global Reporting Standards, op. cit.*

METHODOLOGY

The 2022 survey collected data on charitable gifts and grants raised from private sources for the fiscal year beginning July 1, 2021, and ending June 30, 2022 (with a few institutions reporting on different fiscal calendars).

Participation varied considerably by type of institution. The number of U.S. higher education participants in 2022 was 826. They represent about 24.7% of colleges and universities in the United States but raised 70% of total voluntary support of U.S. higher education institutions in the 2021–22 academic fiscal year. Note that there are key differences between the amounts reported as national estimates and those that summarize survey responses, from which the national estimates are derived.

By developing national estimates each year, CASE can correct for annual differences in participation. CASE approaches the estimation process in two ways. First, CASE considers the percentage change in support by source group and by major purpose category among institutions that participate for two consecutive years—the core group of institutions. Because the core group’s gift income typically represents more than 90% of all reported gift income, the group’s data provide a robust set of benchmarks on year-to-year changes, which can be applied to the previous year’s national estimates. However, because the core group results may be more positive than those we would get were the survey to achieve full participation, CASE adjusts the degree of change in the national estimates downward as appropriate by comparison with the core group.

Second, CASE looks at participation by Carnegie Classification, which groups higher education institutions into basic types. The average total support per type of nonparticipating institution varies from 25% to 40% of what was reported on average by participating institutions. Nonparticipants tend to be smaller, and there is a tendency for institutions not to participate after a weak year.

In addition, the response rate varies by Carnegie Classification. Participation is highest among research/doctoral institutions and lowest among associate’s (two-year) institutions. CASE derives estimates of support among nonparticipants by Carnegie Classification. The sum of these estimates and the survey results are generally close to the national estimates arrived at by the first method described. If not, CASE reviews and adjusts factors and weights until there is reasonable consistency across the entire model.

CASE is the home for advancement professionals in not-for-profit education and education-related institutions. It inspires, challenges, and equips institutions to pursue success effectively and ethically. CASE defines the competencies and standards for the profession of advancement and champions their dissemination and application through its network of more than 97,000 advancement professionals at 3,100 member institutions in 80 countries.

Broad and growing communities of professionals gather under the global CASE umbrella. Currently, the CASE network includes professionals who work in alumni relations, development and advancement services, communications, fundraising, government relations, and marketing. These professionals are at all stages of their careers and may work at universities, schools, colleges, cultural institutions, or other not-for-profit organizations. In addition to the expertise of its staff, CASE uses the intellectual capital and professional talents of a community of international volunteers to advance its work. Its membership also includes many educational partners that work closely with the education sector, further enriching the CASE experience.

As the world leader in offering data about advancement outcomes provided through its CASE InsightsSM division, CASE helps professionals in the education sector achieve their objectives by making data-driven decisions. CASE provides detailed benchmarking data that enable colleges, universities, and independent schools to compare themselves with peer and aspirant institutions as well as with themselves over time. In addition, CASE publishes research reports about emerging issues and summary information relative to advancement.

Headquartered in Washington, D.C., CASE works across all continents from its regional offices in London, Singapore, and Mexico City to achieve a seamless experience for its stakeholders, particularly its members, volunteers, and staff.

