

# **Ross–CASE Survey 2006-7**

## ***Final Report***

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# 1 Executive summary

This report presents the results of the 2006-7 Ross–CASE Survey of Gifts and Costs of Voluntary Giving which evaluates the philanthropic health of universities in the UK.

The survey was commissioned on behalf of the Ross Group of Development Directors and the Council for Advancement and Support of Education (CASE) in Europe. The Ross Group is a network of leading fund raising professionals from research intensive universities in the UK and Ireland. Members of the Group are Directors of Development or equivalent positions in their home institutions. The Group began this survey in 2001-2 in order to ensure that there was a reliable source of data on the philanthropic health of universities in the UK. This survey is one of the Ross Group's major projects and the Group's members have worked collaboratively; to define common standards of philanthropic reporting, in terms of both income and costs, throughout the UK, and to engage the wider university sector in the need for participation in the survey. Until this survey began, there was no general sector-wide source for data on philanthropy in higher education in the UK.

CASE is the membership association that serves educational institutions around the world by enhancing the effectiveness of their fundraising, alumni relations, communications and marketing professionals – the group of related disciplines to which North Americans give the shorthand term “institutional advancement”.

As the premier professional association for educational advancement professionals, CASE is committed to being the primary resource for professional development and information and the leading advocate for professional standards and ethics.

CASE is among the largest associations of educational institutions in the world. Its members include more than 3,300 universities, colleges and schools in 65 countries. CASE has had an office in London since 1994. The headquarters are in Washington, D.C. and an office in Singapore, serving the Asia-Pacific region, opened in 2007. From these bases, CASE delivers more than 100 conferences, workshops and online seminars each year, at which professionals hone their skills, refresh their knowledge and broaden their network of colleagues. CASE has an extensive awards programme, publishes approximately 100 books and a regular magazine, CASE Currents, and supports the collection and benchmarking of advancement data. CASE is a charitable trust, constituted as an unincorporated association.

## 1.1 Broad messages about the Ross–CASE Survey

This survey of gift revenue and fundraising costs has been carried out each year for the last five years to measure the philanthropic performance of Higher Education Institutions (HEIs) in the UK. It is the only source of information on this subject in the UK, enabling institutions to compare themselves with their peers. It also provides an estimate of the overall impact of philanthropy on the Higher Education (HE) sector. It will also allow institutions to measure their ongoing fundraising performance by benchmarking against selected participating universities. The definition and measurement of what constitutes philanthropic giving has been developed over several years by the Ross Group members with some input from similar surveys in the US.

This report includes:

- comment by HE fundraisers with substantial UK and US experience
- charts to highlight main themes
- aggregated data based on returns from 144 institutions (64 more than last year)

an explanation of how the survey is undertaken  
a glossary of terms  
a list of participants in alphabetical order.

Universities should be encouraged to measure the value of their fund raising operations. Three measures are of special significance:

new gifts and pledges raised by the institution in each financial year  
cash received in each financial year  
fundraising costs expressed in pence spent per £ raised.

Based on the data, presented below in the executive summary, some observations can be made:

- Larger universities, with correspondingly large budgets and longer histories, raise the largest amounts of money. Institutional investment and experience matter.
- Fundraising is increasingly cost-effective. The median cost for those institutions who started a fund raising programme prior to 2003 was 26p in the £ for 2006-7, but 32p in the £ on a three-year average.
- Large scale campaigns continue to drive the expectations of the sector. The London School of Economics (LSE) completed its originally announced £100 million campaign. Edinburgh, Imperial, and University College London (UCL) are all in the midst of £250 million+ campaigns. Oxford and Cambridge announced £1 billion+ campaigns, in 2007 and 2006 respectively. These concentrated efforts have produced an expected increase for them and for other institutions, as well as increased expectations for those institutions.
- The scale of investment in development offices continues to create increased demands for trained and skilled fundraising staff. This is a deeply serious constraint, particularly at the leadership levels, and will require some rethinking of how to attract individuals with transferable skills. Appropriate training is increasingly critical.

## 1.2 Government matched funding scheme

The announcement of the UK government's £200 million three-year matched-funding scheme has given a strong impetus to additional fundraising efforts in English universities. The scheme was formally launched on 1 August 2008, so the survey results for the previous year have helped establish baselines for sector performance. The confidence of the government in the robustness and professionalism of the sector is much appreciated, and it underlines the importance of accountability, transparency and performance measurement as factors in individual development office management and in the entire sector.

The survey took on an additional significance this year because it established baselines in the Government matched-funding scheme in England, which will be operated by the Higher Education Funding Council for England (HEFCE). For applicants to the scheme, participation in the survey is mandatory. As a result, some of the arrangements for the conduct of the survey have been enhanced, particularly in light of much wider expected participation. These points are clearly noted throughout the report. In recent years around 80 institutions have completed the survey, while this year 144 participated.

Participation from institutions not involved in the matched-funding scheme and those outside England remains extremely important to the survey so that a complete picture of philanthropy in HE throughout the UK can be compiled. Although the survey refers repeatedly to UK institutions, it should be noted that one EU-based institution is participating by choice; other such institutions are welcome to do so.

### 1.3 Key data

Data are for UK HEIs unless otherwise stated	2004-5 total £million	2005-6 total £million	2006-7 total £million
New funds raised	380	452	548
Cash income received	283	324	413
Legacies	42	40	58
Gifts-in-kind	3	16	10
Annual Fund income raised	15	19	25
Total fundraising spend	34	39	46
<i>For HEIs starting fundraising programmes pre-2003 only</i>			
Median cost per pound raised	£0.28	£0.24	£0.26
<i>For non-Oxbridge English HEIs only</i>			
Eligible for matched funding <sup>1</sup>	79	84	141
	<b>Number</b>	<b>Number</b>	<b>Number</b>
Fundraising staff	n/a	660	734
Addressable alumni	5,109,804	5,658,552	6,227,509
Alumni making donations	92,334	101,966	108,235
Donors	95,286	105,553	127,093

### 1.4 University fundraising performance in 2006-7

Income is usually reported in two ways:

- new gifts raised in year (cash and future commitments)
  - cash received in year
- In total, UK universities raised £548 million in new philanthropic funds in 2006-7. This figure represents an aggregate of pledges, new cash gifts and gifts-in-kind. This is the figure most commonly used in counting campaign totals. In the 2005-6 survey the overall reported figure from 81 institutions was £417 million. Of the growth of £131 million, just under £52.5 million was accounted for by institutions who had not participated in the Ross Group survey previously.
  - UK universities received £413 million in philanthropic cash income in 2006-7. Fourteen per cent of the cash income received was from legacies (£58 million). The total cash received in 2005-6 was £280 million. Of the growth of £133 million, just over £40 million was accounted for by institutions who had not participated in the Ross Group survey previously.
  - The baseline estimate is that non-Oxbridge English HEIs raised £141 million in funds that would be eligible for matched funding under HEFCE's new matched-funding scheme for voluntary giving for 2008-11 (note that the definition of matched funding used in the survey

<sup>1</sup> This is a baseline estimate made in preparation for the introduction by HEFCE of the new matched-funding scheme for voluntary giving over the period 2008-11, where funding is available to match eligible gifts raised by English HEIs and directly funded further education colleges (FECs). The definition of matched-funding eligible cash income used for the survey aimed to anticipate the final matched-funding rules HEFCE would adopt, but has changed for the three years from 2007-8 to reflect the final rules set by HEFCE.

anticipated but did not exactly match the final HEFCE rules subsequently adopted and therefore may be overstated).

- The mean amounts of money raised were much higher than the median amounts. This reflects the very high figures reported by the largest and most established institutions, in particular Oxford and Cambridge. For example, Oxford and Cambridge raised just over half (£279 million) of all philanthropic funds raised by UK universities and they also account for 34 per cent of all fundraising staff. Habitually, Oxford and Cambridge raise more than the next leading institutions by a factor of more than ten. Therefore in some cases we have reported figures with Oxford and Cambridge data omitted in order to give a balanced picture of the sector.
- The total philanthropic funds raised and cash income received by UK universities has increased by around 45 per cent between 2004-5 and 2006-7. The estimate for matched-funding eligible philanthropic income received by non-Oxbridge English HEIs increased by 78 per cent over the same period. Importantly, all comparative figures between 2004-5, 2005-6 and 2006-7 are compiled using the three-year returns submitted by each participant in this recent survey.

## 1.5 University alumni fundraising in 2006-7

- In total, UK universities had just over 6.2 million addressable alumni in 2006-7, of whom 108,235 made a gift for any purpose. For those universities which gave both the number of addressable alumni and the number making a gift for any purpose, the mean proportion of addressable alumni making a gift for any purpose in 2006-7 was 1.2 per cent. Among respondents, only ten institutions had greater than 4 per cent of alumni participation.
- As with the funds raised and income values, the mean amounts for each of these indicators were much higher than the median amounts, which reflect the very high amounts reported by the largest and most established institutions. Institutions with fundraising programmes established for a decade or more had a mean number of addressable alumni that was twice that of institutions with fundraising programmes which had been established less than three years ago.
- As with the funds raised and income values, there has been significant growth in addressable alumni between 2004-5 and 2006-7, with the mean number of addressable alumni per university growing by 22 per cent and the median number by 31 per cent. Alumni numbers grow in two distinct ways. New graduates added to the pool provide a steady and measurable increase. Alumni numbers also grow because institutions work to identify lost alumni and clean their databases accordingly. The proportion of alumni making a gift has, however, remained stable over the same period. There is anecdotal evidence that this apparent stability is misleading: there is a strong increase in the percentage of older alumni who are giving, but this is 'hidden' behind growth in the absolute number of alumni (resulting from increases in the number of students graduating year on year).

## 1.6 University fundraising costs in 2006-7

- The reported data for fundraising costs exclude institutions that reported starting their development or fundraising programme in 2003 or later, or who do not have a programme. The reason for this is that including such institutions would give a misleading picture of the

efficiency of institutions' fundraising as there is a time lag between the start of a fundraising programme and when it starts to deliver significant benefits.

- The 27 institutions which participated in the £7 million Universities UK (UUK) sponsored Matched Funding for Fundraising, begun in 2004, show large increases in costs but not necessarily a parallel stream of income at this point. This is not a true picture of their effectiveness, but demonstrates that there is often a delay between increased investment in fundraising, and increased income.
- In total, UK universities spent £46 million on fundraising in 2006-7. Two-thirds (£30 million) was accounted for by staffing costs with the remainder spent on non-staffing costs. UK universities spent £13 million on alumni relations (excluding the cost of the alumni magazine, on which £5.7 million was spent).
- The mean amounts for each of these indicators were much higher than the median amounts. This reflects the very high amounts (often by a factor of ten or more) reported by the largest and most established institutions, in particular Oxford and Cambridge. As one would expect, the longer a fundraising programme has been in existence, the larger its overall fundraising costs were, while its pounds raised per penny spent ratio is often more consistent.
- The total fundraising costs incurred by UK universities have increased by 36 per cent between 2004-5 and 2006-7, while the median fundraising cost per pound raised has remained stable over this period.
- The ratio of an institution's investment in development office expenditure (excluding alumni relations) to cash income is an established measure of performance that allows for comparisons between universities. Whilst the Ross–CASE survey acknowledges that not all related development expenditure and philanthropic gifts within an institution are necessarily managed by the development office this ratio is the stable basis for comparisons (for more details please see section 8.3).
- It is important to note that the great majority of development offices are funded centrally by their institutions. Therefore 100 per cent of the donations go to the purpose designated by the donor. There is no “top slicing” of gifts to support the fund raising work.
- In general well-managed, sustained investment in fundraising has a direct relation to amount of funds raised. Greater investment is often required to produce more income. For this reason a low ratio, that is a high yield of cash from a low investment could most commonly be considered a good result; however, in some cases this may also indicate an underfunded programme (see section 8.3). Overall, the median value of HEIs' fundraising expenditure per pound raised in 2006-7 was 26p, this was similar to the median expenditures in 2004-5 (28p) and 2005-6 (24p). The goal for institutions is to achieve a consistency of expenditure with steady growth of income.

## 1.7 University fundraising staffing in 2006-7

- As before, the data below exclude institutions that reported starting their development or fundraising programme in 2003 or later, or who do not have a programme



- In total, those UK universities that had fundraising programmes employed 734 full-time equivalent (FTE) staff who worked mainly on fundraising in 2006-7; and an additional 313 staff who worked mainly on alumni relations.
- These UK universities employed a mean of 12.5 FTE staff on fundraising and a mean of 5.4 FTE staff on alumni relations. The mean numbers were higher than the medians, reflecting the much larger staffing numbers in those institutions with long-standing fundraising programmes.

## 2 Introduction

### 2.1 Survey management

The survey was managed by a Steering Group comprising members of the Ross Group of Development Directors and the Council for Advancement and Support of Education (CASE) in Europe. The study was funded by the Department of Innovation, Universities and Skills (DIUS), the Sutton Trust and the Ross Group. The National Centre for Social Research (NatCen) was contracted by the Ross Group and CASE to carry out the survey on a professional basis.

### 2.2 A note on data quality

We are keenly aware that universities who have completed the survey, particularly for the first time, may have struggled to collect the appropriate data for filing or may have misinterpreted some of the guidelines for completion. NatCen has made many calls to institutions whose data raised some issues and in many cases the data were improved. But we know there are still many aspects of the survey that could be improved and every effort will be made to work with institutions in the future to provide useful and reliable data to the survey. That said, importantly, all comparative figures between 2004-5, 2005-6 and 2006-7 are compiled using the three-year returns submitted by each participant in this recent survey – making the year-on-year comparisons consistent in standard for each participating institution.

### 2.3 Survey methodology

The methodology of the 2006-7 survey was broadly comparable with that of its predecessors. The main features are summarised below.

- The questionnaire was drafted by NatCen using the 2005-6 questionnaire as a starting point. A small number of additional questions were specified by the Ross Group, CASE and the DIUS. Members of the Ross Group advised on drafting issues and guidance for how to complete the questionnaire. The Reporting Rules for questionnaire completion and Rules relating to the inclusion or exclusion of corporate gifts and sponsorship can be found in the Appendices.
- The Ross Group members have developed the standards for defining and measuring philanthropy since the inception of this survey. Their work is based in part on similar surveys in the US.
- HEFCE provided NatCen with a list of 299 institutions that should be approached for the study. The list comprised 134 English HEIs, 30 other UK HEIs and 135 English Further Education Institutions (FEIs). The list was larger than in previous years, with English FEIs being included for the first time. There are a handful of non-UK universities who wish to participate in the survey and others are welcome to do so if it provides them with useful benchmarking.
- Institutions on the list were sent an advance letter by a representative of the Ross–CASE Steering Group, inviting them to participate. This provided the address of the Ross–CASE Survey website ([www.rosscasesurvey.org.uk](http://www.rosscasesurvey.org.uk)) from which the questionnaire could be downloaded. The website also included background information about the survey, reporting rules for questionnaire completion and a data release protocol.

- The questionnaire had an Excel format. Completed questionnaires were returned to NatCen by email. Reminder calls and emails were used to encourage participation. Fieldwork took place between February and April 2008.
- A total of 144 questionnaires were returned in time to be included in the analysis. These included 110 English HEIs (85% of those contacted), 18 other UK HEIs (67% of those contacted) and 16 FEIs (14% of those contacted). Two questionnaires were returned after the deadline and were hence not processed. A list of participating institutions and later responders can be found in the Appendices.
- Data processing was carried out by NatCen. Editing was carried out to distinguish between zero returns and missing data, to check outliers and to resolve observable errors such as data being entered as whole numbers where figures in thousands were requested. Where possible, missing or inconsistent data were queried with the institutions to check that they were correct before analysis was performed.
- Analysis was carried out by NatCen using SPSS for Windows.

A fuller account of the methodology will be given in a separate technical report.

## **2.4 Benchmarking service**

The figures presented in this report are based on all the responses received or on broad sub-groups among the survey population. Therefore, to assist participating institutions in making comparisons with similar institutions, NatCen have agreed to operate a benchmarking service for participating institutions for the 2006-7 survey.

Each institution will be permitted access to one benchmarking report. To protect confidentiality each institution must choose a minimum of six peers to benchmark itself against. For financial data, a three-year average for the chosen institutions will be provided.

## **2.5 Participating institutions**

Most participant institutions were English HEIs (76%) with a similar proportion of other UK HEIs (13%) and English FEIs (11%) completing the questionnaire. No FEIs from other parts of the UK completed the questionnaire.

Sixty per cent of participating universities had taken part in the previous (2005-6) Ross survey. This was the first year that FEIs were invited to take part.

Nearly half (45%) of participating universities started their development or fundraising programmes in 2003 or more recently. Twenty-three per cent of HEIs established their programmes before 1996 with 23 per cent having begun their programmes between 1996 and 2003.

Thirty per cent of participating universities engaged in clinical medicine.

Participants were asked to choose from a list up to two people that the Director of Development reports to at their institution. The majority of Directors of Development reported to the Chief Executive Office (CEO) (29%) or a Pro-Vice-Chancellor (PVC) level position (24%).

A small proportion (8%) had an overseas office, including staff responsible for local fundraising. The majority of these are located in the USA (eight institutions).

## 2.6 Conventions

In this report where reference is made to universities, this term is used to describe Higher Education Institutions only. Where reference is made to institutions, this term is used to describe both Higher Education Institutions (HEIs) and Further Education Institutions (FEIs).

Where we refer to universities or institutions we mean those universities and/or institutions which participated in the 2006-7 survey.

In order to give a more balanced picture of the fundraising activity of institutions this report commonly presents key figures excluding Oxford and Cambridge in addition to total figures for all institutions. This is due to the substantially larger funds raised by these two large and well-established HEIs which alter the general picture of philanthropic activity in the UK.

Where figures from previous years are used, these are derived from the returns to the 2006-7 Ross–CASE survey only (the 2006-7 survey asked respondents for information relating to the 2006-7 and two previous financial years). Some institutions have made improvements to their record keeping since the survey began, and have supplied us with corrections to returns from previous years. Hence we believe the historical data supplied in the 2006-7 survey is more accurate than that supplied in previous years.

## 3 Total funds

### 3.1 New funds raised in 2006-7

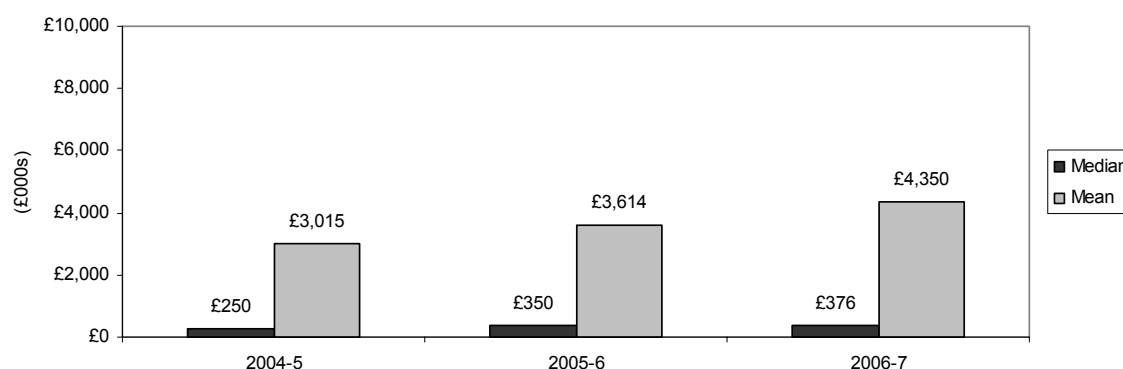
All those responding to the survey were asked to report new funds raised in 2006-7. For the purposes of the survey this is defined as new cash and confirmed non-legacy payments raised in the year, excluding pledged payments from previous years. Only documented pledges up to the first five years' duration of the pledges are counted.

The 128 Higher Education Institutions participating in the survey reported raising a total of £548 million in new philanthropic gifts in 2006-7. This figure has increased rapidly in recent years. The £548 million raised by HEIs in 2006-7 represents a 21 per cent increase from the 2005-6 value (£452 million) and a 44 per cent increase from the 2004-5 value (£380 million).

Of the growth of £131 million in 2006-7, just under £52.5 million was accounted for by institutions who had not participated in the Ross Group survey previously.

The mean value of new philanthropic funds raised per participating university in 2006-7 was £4.4 million per university, a jump of almost three-quarters of a million pounds since the previous year (Figure 3.1). A rising trend was observed in both the mean and median values of philanthropic income over the three years covered by the survey. Median values rose from £250,000 to £376,000 between 2004-5 and 2006-7. Mean values increased by almost 50 per cent, from £3 million in 2004-5 to £4.4 million in 2006-7. This trend is examined in more detail in the section on growth in cash income below (section 3.5).

**Figure 3.1 – New funds raised in last three years for HEIs (£000s)**



Number of HEIs: 126

### 3.2 Average new funds raised over last three years

The mean level of philanthropic funds raised by participating UK universities for the three years since 2004-5 was £460 million per year.

Looking at the sector's performance over a three-year period (ending with the 2006-7 financial year), the mean value of new philanthropic funds raised was £3.6 million per participating university per year, with English universities achieving a much higher average mean (£3.8 million) compared with universities elsewhere in the UK (£2.5 million) (Figure 3.2). The higher mean for English universities undoubtedly reflects the strong contribution made by Oxford and Cambridge (see Figure 3.4).

Participating Further Education Institutions raised on average much less money over the last three years, with the mean figure being £32,000. The median value was zero as only three of the thirteen FEIs that responded to the question reported raising any funds.

**Figure 3.2 – New funds raised in year by type of institution (average of three years, £000s)**

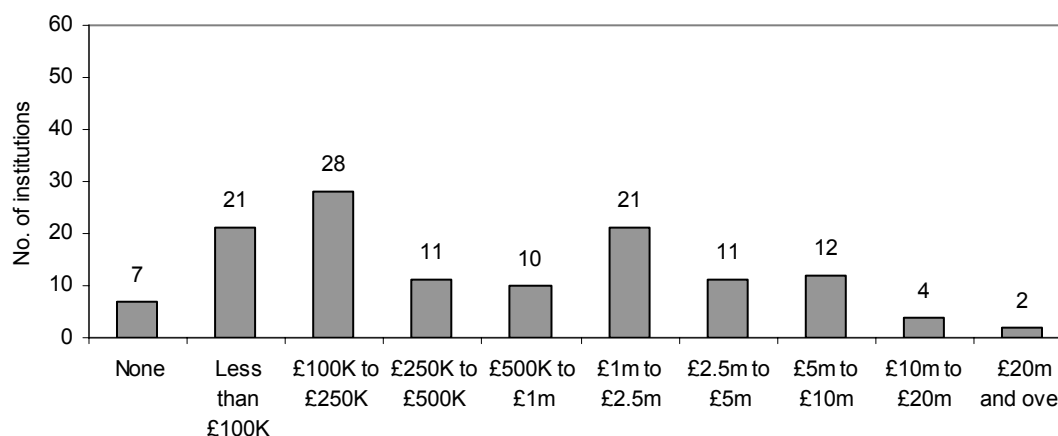
	Total HEIs	English HEIs	Other UK HEIs	English FEIs
Mean	3623	3807	2511	32
Median	316	315	693	0
<i>Number of institutions</i>	127	109	18	13

The large discrepancy between the mean and median figures is due to the skewed nature of the distribution of funds raised across UK universities. The largest and most established institutions reported very high figures that had a strong effect on the mean.

The median value of philanthropic gifts over the three years was £316,000. As can be seen in Figure 3.3, there was a wide spread of values. At the bottom end of the distribution, seven universities reported no philanthropic income over the last three years, and 21 universities reported that their philanthropic income per year was less than £100,000 over the period. Another 39 reported raising an average of between £100,000 and £500,000 per year over the period.

While just over half of participating UK universities raised on average less than £500,000 per year over the last three years, a small number of universities performed much more strongly. At the top end of the distribution there were 18 institutions reporting funds raised of £5 million or more, including two (Oxford and Cambridge) that reported raising funds of £110 million or more.

**Figure 3.3 – New funds raised in year for HEIs (average of three years)**



*Number of HEIs: 127*

It should be noted that Oxford and Cambridge, the two universities most successful over the three-year period in raising new philanthropic funds, had a particularly strong effect on mean funds raised. With those universities excluded the mean philanthropic income for HEIs fell from £3.6 million to £1.8 million (Figure 3.4).

Although Oxford and Cambridge greatly influenced the overall picture, other universities also raised funds well above the overall mean. The remainder of the Russell Group universities (17 of the 18 non-Oxbridge universities in the Russell Group responded to the survey) raised an average of just over £7 million per annum over the period, with the 1994 Group universities (17 of the 18 1994

Group universities responded to the survey) raising just over £2.4 million. The remaining 91 institutions raised just over £750,000 per annum.

Those institutions with a fundraising programme established a decade or so ago performed much more strongly in raising new funds (a mean of £11.8 million per year) over the three-year period than those with a fundraising programme less than three years old (raising a mean of £834,000 per year).

**Figure 3.4 – New funds raised in year for HEIs by status (average of three years, £000s)**

HEIs	HEIs with and without Oxford and Cambridge		Survey status		Establishment of fundraising			
			Included in last survey	New to this survey	Before 1996	1996-2002	2003 or later	None/not given
	With	Without						
Mean	3623	1843	5394	895	11772	1915	834	1249
Median	316	315	1026	132	2149	1137	144	10
<i>Number of institutions</i>	127	125	77	50	29	30	57	11

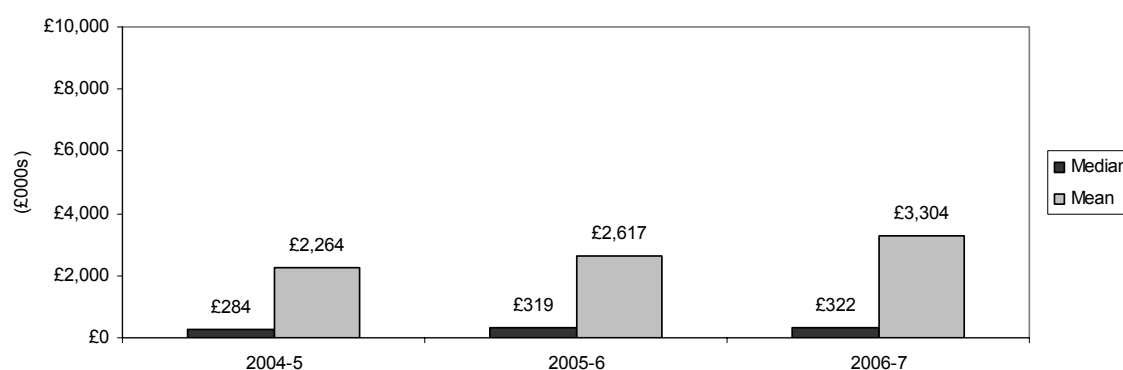
### 3.3 Cash income received in 2006-7

The HEIs participating in the survey reported a philanthropic cash income of £413 million in 2006-7. As with funds raised, this figure has increased rapidly in recent years. The cash income of £413 million raised by HEIs in 2006-7 represents a 27 per cent increase from the 2005-6 value (£324 million) and a 46 per cent increase from the 2004-5 value (£283 million).

Of the growth of £133 million in 2006-7, just over £40 million was accounted for by institutions who had not participated in the Ross Group survey previously.

A small upward trend was observed over the last three years in median values which rose from £284,000 in 2004-5 to £319,000 in 2005-6 and £322,000 in 2006-7 (Figure 3.5). Mean values increased more sharply, from £2.3 million in 2004-5 to £2.6 million in 2005-6 and £3.3 million in the last year.

**Figure 3.5 – Cash received in last three years for HEIs (£000s)**



Number of HEIs: 125

### 3.4 Average cash income over last three years

The average level of philanthropic cash income reported by participating HEIs for the three years since 2004-5 was £340 million per year.

The mean cash income a university received over the three years was £2.7 million per year, with English universities (a mean income of £2.7 million per year) enjoying slightly more than other universities in the UK (a mean income of £2.4 million per year, Figure 3.6). However, the median income for other participating universities in the UK (£363,000) was higher than that for English universities (£242,000) suggesting that there was a more equal distribution of cash received across universities outside England. As with funds raised, the philanthropic cash income of FEIs was much lower than for universities over the period, with FEIs having an average income of £31,000 per year.

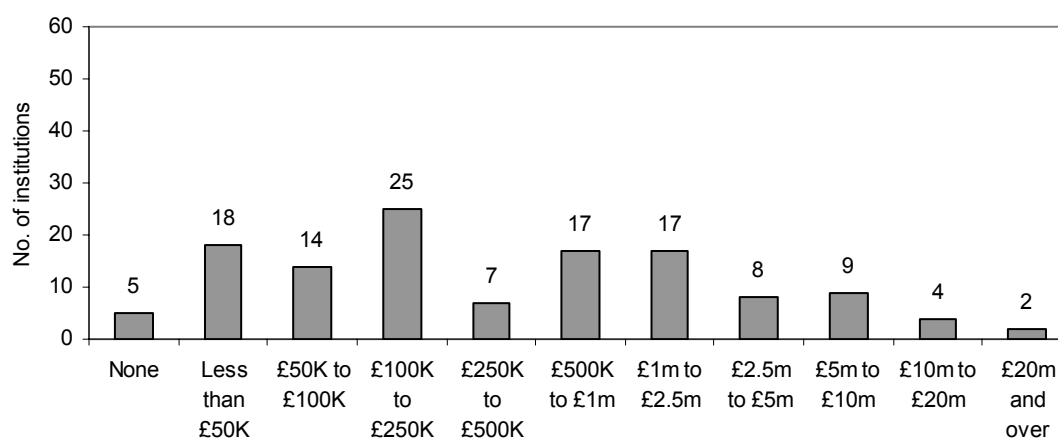
**Figure 3.6 – Cash received in year by type of institution (average of three years, £000s)**

	Total HEIs	English HEIs	Other UK HEIs	English FEIs
Mean	2701	2749	2390	31
Median	277	242	363	0
<i>Number of institutions</i>	126	109	17	13

As with funds raised, there was a large discrepancy between the mean and median incomes. Again this was accounted for by a small number of universities who had a much higher philanthropic cash income than others.

As can be seen in Figure 3.7, while 69 participating universities reported an average cash income of less than £500,000 per year over the period, a small number (15 universities) raised an average philanthropic cash income of £5 million or more per year over the three years.

**Figure 3.7 – Cash received in year for HEIs (average of three years)**



*Number of HEIs: 126*

Breaking the cash income figures down by longevity of fundraising programme, and looking at them including and excluding Oxford and Cambridge, we can see a similar pattern to that observed for funds raised (Figure 3.8). The mean cash income over the period was £2.7 million per year if Oxford and Cambridge are included, but £1.5 million per year if they are excluded. The skew in the distribution was not just accounted for by Oxford and Cambridge (who both reported mean cash income figures of over £60 million per year over the period). The remaining Russell Group universities obtained a mean annual income of just over £6.2 million over the period, and the 1994 Group of universities a mean of just over £2 million per annum. The other 90 participating institutions managed just under £500,000 per annum.



Universities with a fundraising programme in existence for a decade or more raised over the period a mean cash income of £8.2 million per year, compared with the £625,000 per year income obtained on average by those with a fundraising programme less than three years old.

**Figure 3.8 – Cash received in year for HEIs by status (average of three years, £000s)**

HEIs	HEIs with and without Oxford and Cambridge		Survey status		Establishment of fundraising			
			Included in last survey	New to this survey	Before 1996	1996-2002	2003 or later	None/ not given
	With	Without						
Mean	2701	1492	3972	703	8219	1770	625	1262
Median	277	254	707	116	1929	609	114	39
<i>Number of institutions</i>	126	124	77	49	29	30	56	11

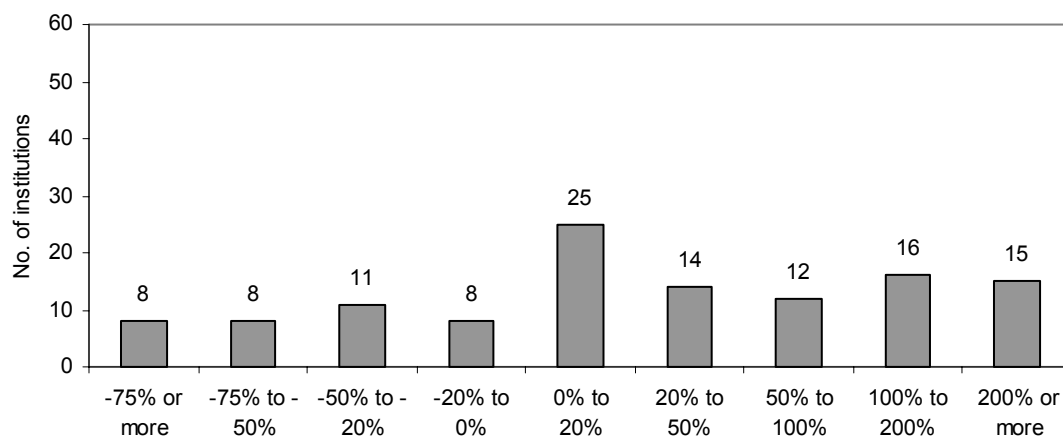
### 3.5 Growth of cash income

Although overall median and mean values for cash income increased over the three years covered by the survey, there was a wide range in the trends for individual institutions with some substantial increases and decreases being reported.

The figures in this section should be treated with some caution as it is likely that institutions who have participated in the survey previously have superior record-keeping systems to those who have not. Hence some of the cash income growth reported here may reflect some inaccurate records rather than real growth.

Eighty participating HEIs (68%) reported that their cash income had grown over the past year, including about a quarter who reported that it had grown by 100 per cent or more (Figure 3.9). On the other hand, 35 HEIs (30%) reported a decrease in cash income over the last year, including 14 per cent who reported a decrease of more than 50 per cent. Year-by-year comparisons of this sort for individual HEIs should be treated with some caution as in many cases they are likely to reflect temporary fluctuations rather than an established trend. However, it is useful to note that the sector-wide trend of growth did not apply to every university in every year.

**Figure 3.9 – Growth of cash income over one year (between 2005-6 and 2006-7) for HEIs**



*Number of HEIs: 117*

As around a quarter or more universities managed to at least double their philanthropic cash income over one year, these strong performers affected the overall mean figures (Figure 3.10). On average over the year, mean cash growth per university was 119 per cent, compared with a median of 19 per cent.

The mean and median figures for cash income growth were relatively unaffected by the inclusion or exclusion of Oxford and Cambridge. The strongest percentage growth was recorded by the remaining Russell Group universities (mean of 74%), and the institutions not in the Russell or 1994 Groups (152%).

The institutions with more recently established fundraising programmes raised stronger cash income growth over the last year (no doubt partly explained by the fact they were starting from a much lower absolute income base). Those whose fundraising programmes were less than three years old on average experienced cash income growth of 157 per cent, compared with 39 per cent for those institutions who had had a fundraising programme in place for a decade or more. The faster growth of younger, smaller programmes is a common occurrence. The percent increase is high while the actual amount of cash is usually quite small. Established programmes have a more predictable, if slower growth pattern, but raise substantially more money.

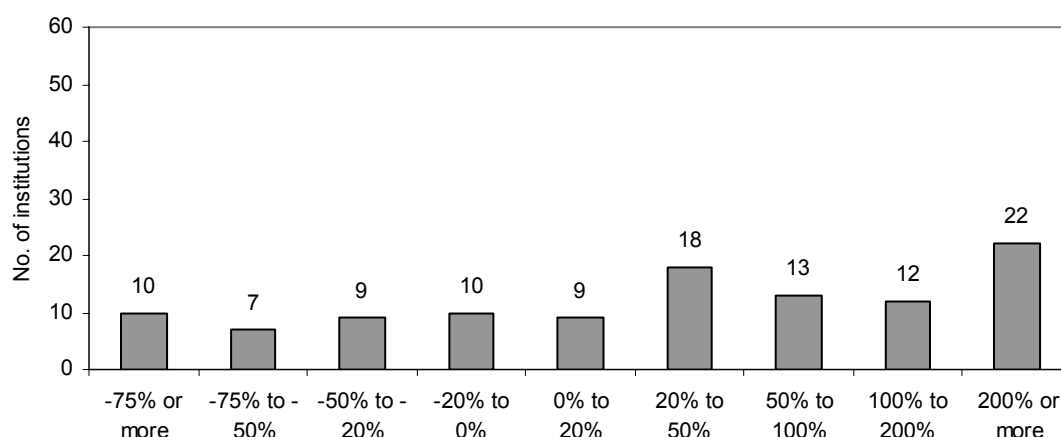
The sizable percent increase of younger programmes may also be a reflection of differences in record keeping and survey reporting. Institutions who have previously participated in this survey may be more familiar with record keeping and conventions used in the survey. Therefore numbers may become more stable, and usually larger, with subsequent years of completion.

**Figure 3.10 – Growth of cash income over one year for HEIs by status (average of three years)**

HEIs	HEIs with and without Oxford and Cambridge		Survey status		Establishment of fundraising			
			Included in last survey	New to this survey	Before 1996	1996-2002	2003 or later	None/ not given
	With	Without						
Mean	119%	120%	104%	147%	39%	153%	157%	35%
Median	19%	19%	19%	24%	18%	14%	28%	8%
<i>Number of institutions</i>	117	115	77	40	29	30	50	8

A similar pattern is evident if we look at the rate of cash income growth over a two-year period. The distribution of cash income growth (Figure 3.11) is similar, though slightly more skewed towards the top end than for growth rates over a one-year period.

**Figure 3.11 – Growth of cash income over two years (between 2004-5 and 2006-7) for HEIs**



Number of HEIs: 110

Looking at the mean and median figures, the rate of growth was much higher when looked at over a two-year as opposed to a one-year period. Participating universities on average raised philanthropic cash income growth of 213 per cent over the two-year period, with a median growth of 37 per cent. These figures were almost twice as large as the figures for the one-year period, showing that last year's high rate of growth represented the continuation of a previously established trend.

As with the figures for rate of growth over one year, the pattern by longevity of fundraising programme was the same, with recently established fundraising programmes producing higher rates of growth over the two years than more well-established programmes (Figure 3.12). Again, no difference in the percentage growth was observed when Oxford or Cambridge were included or excluded.

The mean growth figures over a two-year period were more consistent across university type. Oxford and Cambridge, the remaining Russell Group universities and the 1994 Group universities all averaged between 55 per cent and 62 per cent cash income growth over the two-year period. In contrast the other institutions achieved cash income growth of 284 per cent.

**Figure 3.12 – Growth of cash income over two years for HEIs by status (average of three years)**

HEIs	HEIs with and without Oxford and Cambridge		Survey status		Establishment of fundraising			
			Included in last survey	New to this survey	Before 1996	1996-2002	2003 or later	None/ not given
	With	Without						
Mean	213%	215%	228%	179%	79%	163%	352%	112%
Median	37%	35%	36%	43%	48%	39%	30%	33%
Number of institutions	110	108	75	35	29	29	44	8

### 3.6 Matched-funding eligible cash income received in 2006-7

Matched-funding eligible cash income was a new reporting category introduced for the 2006-7 survey. This was to enable a baseline estimate to be made in preparation for the introduction by HEFCE of the new matched-funding scheme for voluntary giving over the period 2008-11, which

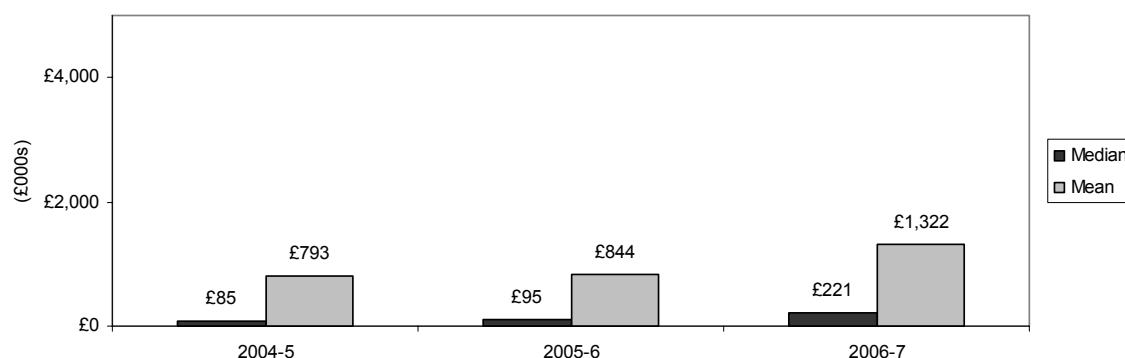
started on 1 August 2008. Under this scheme funding is available to match eligible gifts raised by English HEIs and directly funded FEIs. The scheme aims to achieve a step change in voluntary giving. The definition of matched-funding eligible cash income was set out in sections 3.13 and 3.14 of the Reporting Rules (see Appendix A) and aimed to anticipate the final matched-funding rules HEFCE would adopt. The definition of matched-funding eligible cash income has changed for the three years from 2007-8 to reflect the final rules set by HEFCE.

The matched-funding scheme will only operate in England, and hence the figures produced in this section of the report analyse English HEIs only. These figures exclude Oxford and Cambridge. This is because Oxford and Cambridge have agreed special arrangements with the Government and thus a true benchmark for English HEIs as a whole should exclude these two cases.

The non-Oxbridge English HEIs participating in the survey reported matched-funding eligible cash income of £141 million in 2006-7. This figure increased over the last year. The cash income of £141 million raised by English HEIs in 2006-7 represents a 69 per cent increase from the 2005-6 value (£84 million) and a 78 per cent increase from the 2004-5 value (£79 million).

In keeping with the trend for cash income, the level of matched-funding eligible income rose over the three years covered by the survey (Figure 3.13). The median value for all participating non-Oxbridge English HEIs was £84,500 in 2004-5, £95,000 in 2005-6 and £221,000 in the latest year. The mean values for the three years were £793,000, £844,000 and £1.3 million.

**Figure 3.13 – Cash income eligible for matched funding in last three years for HEIs (£000s)**



Number of English HEIs: 107

### 3.7 Average matched-funding eligible cash income over last three years

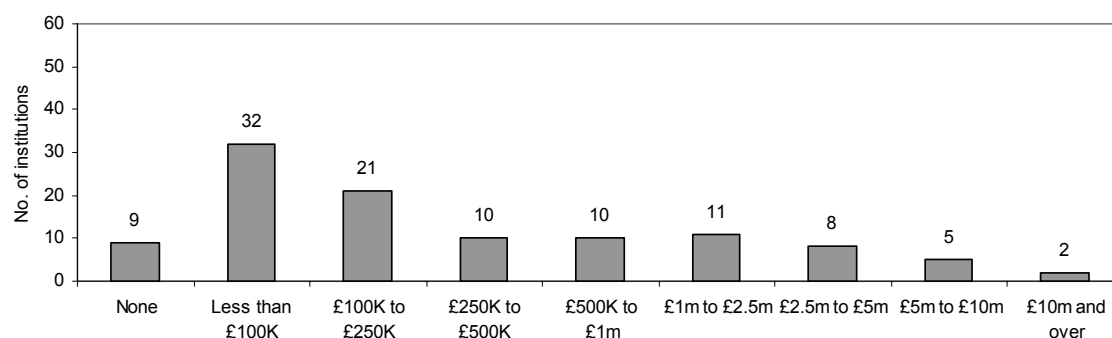
The overall level of income that would be eligible for matched funding in participating non-Oxbridge English HEIs was £118 million per year (based on the average of the last three years). This amounted to 82 per cent of total cash income for this period for non-Oxbridge English HEIs.

The mean matched-funding eligible cash income received per year was £1.1 million for the three-year period.

As with the philanthropic funds raised and total philanthropic cash income figures, the mean figures for matched-funding eligible cash income were much higher than the median figures. This was due to the skewed distribution of the matched-funding eligible incomes across universities.

Seventy-two universities (67%) reported an average matched-funding eligible cash income of less than £500,000 per year over the period (Figure 3.14), while seven raised an average matched-funding eligible cash income of £5 million or more per year over the period.

**Figure 3.14 – Cash income eligible for matched funding in year for HEIs (average of three years)**



Number of HEIs: 108

When the figures were analysed by looking at the longevity of the institutions' fundraising programmes, the pattern was very similar to the funds raised and total cash income figures (Figure 3.15). The non-Oxbridge Russell Group universities were not the only universities that skewed the distribution. The non-Oxbridge Russell Group universities had an average of £4.6 million per year in matched-funding eligible cash income, with the 1994 Group having £1.8 million per year. In contrast the other 78 English HEIs had only £315,000 per year.

The well established fundraising programmes raised much larger average matched-funding eligible cash incomes than institutions which had set up fundraising programmes in the last three years.

**Figure 3.15 – Total cash income eligible for matched funding in year for non-Oxbridge English HEIs by status (average of three years, £000s)**

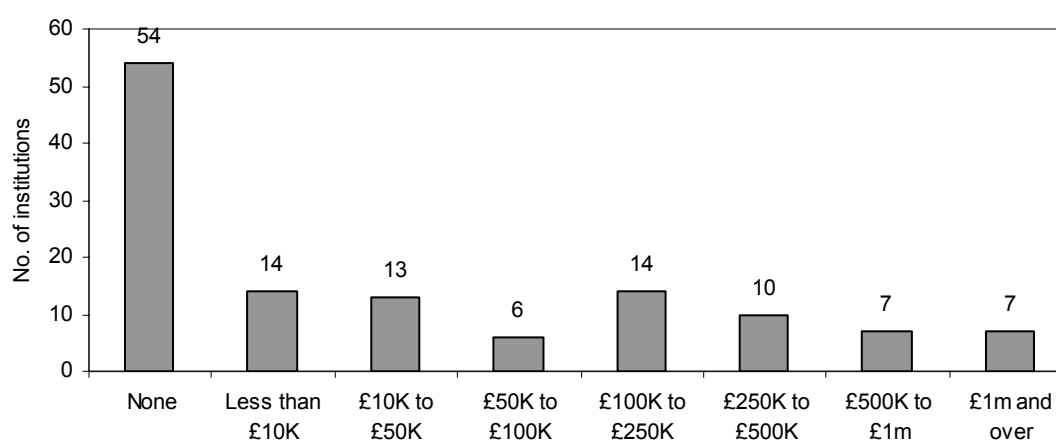
	Non-Oxbridge English HEIs	Survey status		Establishment of fundraising			
		Included in last survey	New to this survey	Before 1996	1996-2002	2003 or later	None/ not given
Mean	1093	1412	592	2494	1021	502	1258
Median	188	301	52	919	407	98	15
<i>Number of institutions</i>	108	66	42	22	24	52	10

## 4 Specific sources of funds

### 4.1 Legacies

Almost three in five (57%) participating universities had some legacy income over the last three years. As can be seen in Figure 4.1, the distribution of legacy incomes among universities was again a skewed one. In addition to the 43 per cent of universities who had no legacy income, a further quarter of universities (26%) had legacy incomes of £100,000 per year or less over the period. Seven universities (6%) had an average legacy income of £1 million or more per year and the same number had an average legacy income of £500,000 - £1 million per year.

**Figure 4.1 – Legacy income in year for HEIs (average of three years)**



Number of HEIs: 125

The median value of legacies for HEIs was £5,000 per year over the period. The mean was considerably higher (£376,000) due to a small number of HEIs that had legacies of very high value.

The overall level of legacy income for HEIs was £47 million per year (based on the average of the last three years). This amounted to 14 per cent of total cash income per year for this period.

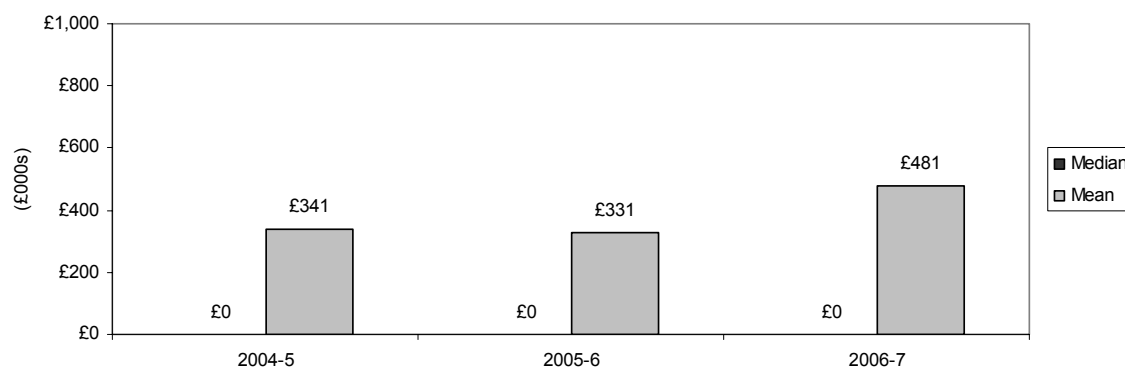
This source of income was considerably larger for institutions with the most established fundraising programmes than for those with newer programmes (Figure 4.2). It was also larger for Oxford and Cambridge than for other universities in both cash terms and as a proportion of their total philanthropic cash income. The remaining Russell Group universities obtained a mean of £666,000 per annum in legacies over the period, while the 1994 Group (mean £95,000) and other institutions (mean £105,000) reported much lower figures.

**Figure 4.2 – Legacy income in year for HEIs by status (average of three years, £000s)**

HEIs	HEIs with and without Oxford and Cambridge		Survey status		Establishment of fundraising			
	With	Without	Included in last survey	New to this survey	Before 1996	1996-2002	2003 or later	None/ not given
Mean	376	181	529	131	1228	202	86	64
Median	5	4	13	0	146	13	0	0
Number of institutions	125	123	77	48	29	29	56	11

Mean legacy income grew substantially in 2006-7 compared with the two previous years (Figure 4.3). Over half of all participating HEIs did not report any legacy income for each of the three financial years from 2004-5 to 2006-7.

**Figure 4.3 –Legacy income in last three years for HEIs (£000s)**

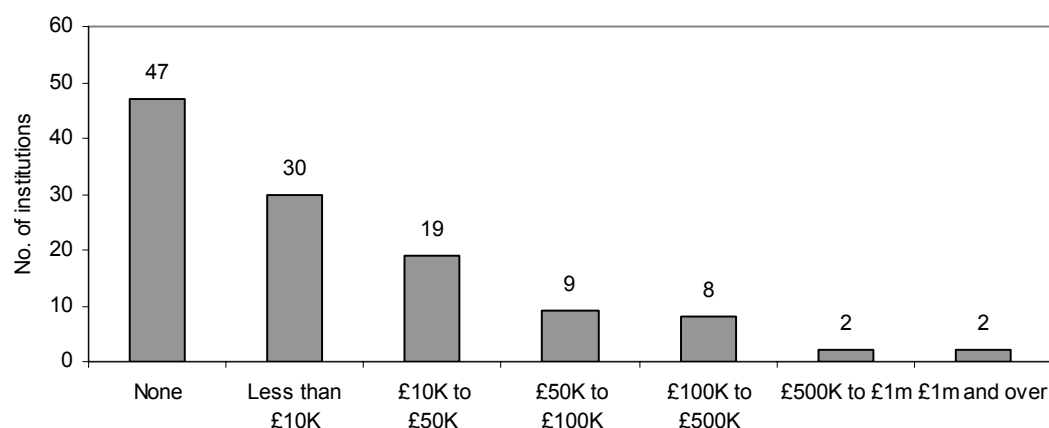


Number of HEIs: 122

## 4.2 Gifts-in-kind

As with legacies, a substantial minority (40%) of participating universities reported not receiving any gifts-in-kind. Again, the distribution of gifts in kind was very skewed with four universities receiving an average of £500,000 or more per year as gifts in kind, with half receiving between nothing and £100,000 per year (Figure 4.4).

**Figure 4.4 – Total equivalent cash value of gifts-in-kind in year for HEIs (average of three years)**

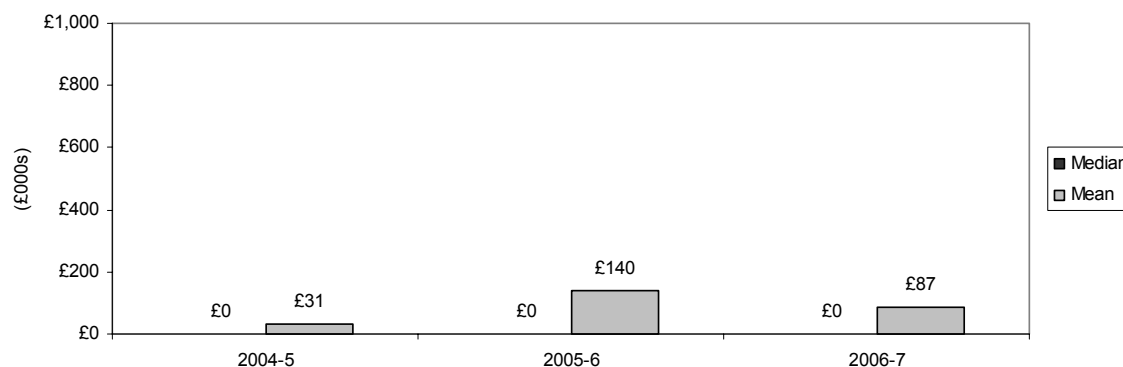


Number of HEIs: 117

Across the three years the median cash value of these gifts for HEIs was £1,000 per year while the mean value was £86,000, reflecting a small number of gifts of high value.

The value of gifts-in-kind has fluctuated somewhat over the last three years (Figure 4.5). Whereas universities received a mean of £31,000 of gifts-in-kind in 2004-5, this rose sharply to £140,000 in 2005-6 before dropping to £87,000 in 2006-7.

**Figure 4.5 – Total equivalent cash value of gifts-in-kind in last three years for HEIs (£000s)**



Number of HEIs: 114

Unlike many other survey measures, the gifts-in-kind figures were not affected by the inclusion or exclusion of Oxford or Cambridge. The larger gifts-in-kind were received by some of the institutions with the most recently established fundraising programmes (Figure 4.6). Indeed institutions outside the Russell Group and 1994 Group reported higher gift-in-kind figures (mean £107,000 per annum over the period) compared with the Russell Group excluding Oxford and Cambridge (mean £22,000) and the 1994 Group (mean £25,000).

The mean gift-in-kind for those with fundraising programmes less than three years old was £83,000 per year over the period, and for those with a programme between three and ten years old £141,000 per year, compared with £48,000 per year for institutions with fundraising programmes established for at least a decade. These numbers should be treated with caution as they are affected by a small number of substantial outlier values.

**Figure 4.6 – Total equivalent cash value of gifts-in-kind in year for HEIs by status (average of three years, £000s)**

HEIs	HEIs with and without Oxford and Cambridge		Survey status		Establishment of fundraising			
			Included in last survey	New to this survey	Before 1996	1996-2002	2003 or later	None/ not given
	With	Without						
Mean	86	84	89	82	48	141	83	61
Median	1	1	3	1	3	2	1	0
Number of institutions	117	115	73	44	27	27	53	10

### 4.3 Capital campaigns

A quarter (25%) of HEIs participating in the survey reported having been in a capital campaign, including a quiet phase in July 2007.

Institutions with longer-established fundraising programmes were more likely to have been in a capital campaign (Figure 4.7). Just over half the Russell Group universities reported being in a capital campaign, but only two 1994 Group universities were. Around a fifth of other institutions



said they were in a capital campaign. Nearly half (48%) of universities with a fundraising programme in existence for a decade or more were in a capital campaign compared to 16 per cent of those with a fundraising programme less than three years old.

**Figure 4.7 – Proportion in a capital campaign (including quiet phase) in July 2007 for HEIs by status**

HEIs	HEIs with and without Oxford and Cambridge		Survey status		Establishment of fundraising			
			Included in last survey	New to this survey	Before 1996	1996-2002	2003 or later	None/ not given
	With	Without						
Yes	%	%	%	%	%	%	%	%
	25	24	23	27	48	30	16	0
<i>Number of institutions</i>	128	126	77	51	29	30	58	11

The 32 HEIs who were in a capital campaign in July 2007 aimed to raise a total of £11,132 million between them. The public phases of the campaigns were expected to last a mean of four and a half years. The mean proportion of the capital campaign target HEIs expected to achieve before the campaign went public was 38 per cent with a median of 35 per cent.

The figures below exclude Oxford and Cambridge to enable the figures to be more meaningful for institutions with less established fundraising programmes.

These HEIs were aiming for a mean of £57 million and a median of £9 million. This discrepancy was accounted for by a small number of universities who had much higher capital campaign targets than other universities. For example three non-Oxbridge universities had targets of over £200 million.

The median capital campaign target for universities with fundraising programmes established a decade or longer ago was much higher (£96 million) than those established between ten and three years ago (£5 million) and less than three years ago (£4 million, Figure 4.8).

**Figure 4.8 – Financial target of capital campaign for non-Oxbridge HEIs by status (£millions)**

Non-Oxbridge HEIs	Survey status		Establishment of fundraising		
	Included in last survey	New to this survey	Before 1996	1996-2002	2003 or later
Mean	102	8	108	23	27
Median	96	5	96	5	4
<i>Number of institutions</i>	15	14	11	9	9

## 5 Largest pledges and gifts

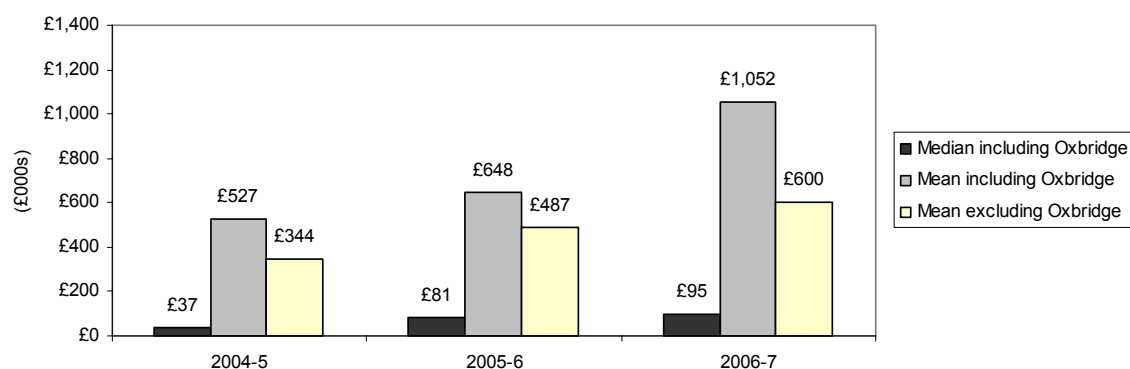
### 5.1 Largest pledges

#### 5.1.1 Largest pledges in 2006-7

The average size of the largest non-legacy confirmed pledges rose over the three years covered by the survey (Figure 5.1). This is similar to the pattern for the funds raised and cash income measures. The median value for HEIs was £37,000 in 2004-5, £81,000 in 2005-6 and £95,000 in the latest year. The mean values for the three years were £527,000, £648,000 and £1.1 million.

By comparing the overall mean size of the largest non-legacy confirmed pledge and the mean size excluding Oxford and Cambridge, it is apparent that Oxford and Cambridge's large income from this source substantially increases these figures.

**Figure 5.1 – Largest non-legacy confirmed pledge in last three years for HEIs (£000s)**



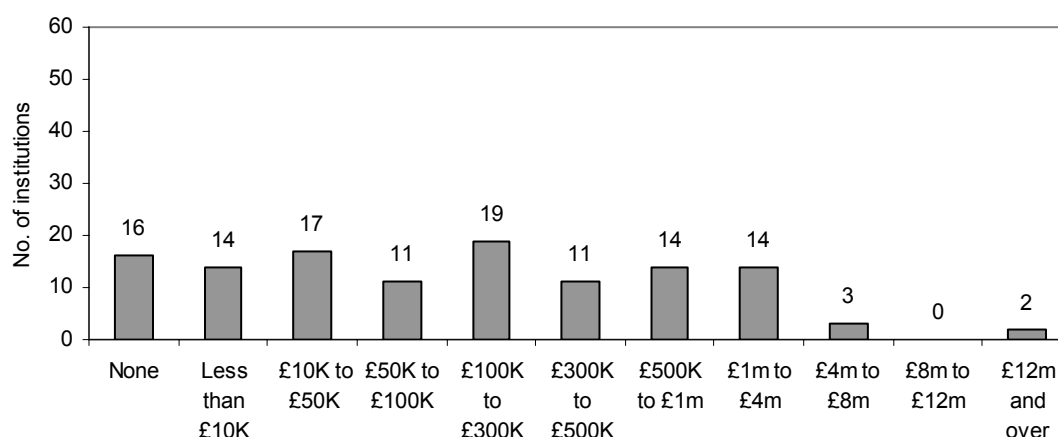
Number of HEIs: 119

#### 5.1.2 Average largest pledges over last three years

Over the three-year period the mean largest non-legacy confirmed pledge for UK universities was £733,000 per year. Participating FEIs reported receiving lower pledges than HEIs with a mean of £544,000 and a median of zero. The size of this difference is due to two of these institutions reporting much higher incomes from this source.

As with funds raised and total cash income, there was a very wide range of values reported. The lowest quarter of HEIs had no pledge greater than £10,000, while the highest quarter had pledges of £500,000 or more, including two (Oxford and Cambridge) that reported pledges of over £12 million (Figure 5.2). As with other survey measures, the remaining Russell Group universities achieved higher mean figures over the period (mean just over £1.6 million), compared with the 1994 Group (mean £662,000), and other institutions (mean £201,000).

**Figure 5.2 – Largest non-legacy confirmed pledge in year for HEIs (average of three years)**



Number of HEIs: 121

The highest pledges were mostly reported by institutions which had more established fundraising programmes (Figure 5.3).

**Figure 5.3 – Largest non-legacy confirmed pledge in year for HEIs by status (average of three years, £000s)**

HEIs	HEIs with and without Oxford and Cambridge		Survey status		Establishment of fundraising			
			Included in last survey	New to this survey	Before 1996	1996-2002	2003 or later	None/not given
	With	Without						
Mean	733	472	1079	148	1991	589	280	22
Median	107	100	243	18	670	183	38	5
<i>Number of institutions</i>	121	119	76	45	28	30	54	9

For HEIs, the most common sources of the largest pledges in 2006-7 were trusts and foundations (49%), followed by individuals (31%), and corporate donors (10%, Figure 5.4). There were differences by location with English HEIs more likely to receive their largest pledges from trusts and foundations (52%) than were other UK universities (29%). Other UK universities most commonly received their largest pledges from individuals (43%), while just over a quarter of English universities received their largest pledges from this source (29%).

**Figure 5.4 – Source of largest pledge in year by type of institution (2006-7)**

	Total HEIs	English HEIs	Other UK HEIs	English FEIs
	%	%	%	%
Trusts and foundations	49	52	29	25
Individual in lifetime	31	29	43	0
Corporate	10	11	7	75
Lottery	2	0	14	0
Other	8	8	7	0
<i>Number of institutions with pledges</i>	97	83	14	4

Institutions with the longest established fundraising programmes, those established a decade or longer ago most commonly received their largest pledges from trusts and foundations (65%; Figure

5.5). Similarly, those established less than three years ago received 51 per cent of their largest pledge from this source. Those with fundraising programmes established between three and ten years ago had a more mixed source of largest pledges, with 41 per cent receiving their largest pledge from a living individual and a third (33%) from trusts and foundations.

**Figure 5.5 – Source of largest pledge in year for HEIs by status (2006-7)**

HEIs	HEIs with and without Oxford and Cambridge		Survey status		Establishment of fundraising			
	With	Without	Included in last survey	New to this survey	Before 1996	1996-2002	2003 or later	None/ not given
Trusts and foundations	49	48	53	38	65	33	51	14
Individual in lifetime	31	31	27	41	27	41	27	14
Corporate	10	11	10	10	0	15	12	57
Lottery	2	2	2	3	4	4	0	0
Other	8	8	9	7	4	7	10	14
<i>Number of institutions with pledges</i>	97	95	68	29	26	27	41	7

The proportion of funds raised by the largest confirmed pledge is a measure of the sustainability of the institutions' fundraising. A high proportion would indicate a high level of dependence on one source of funding. For Oxford and Cambridge the largest pledge accounted for a much smaller proportion of all funds raised (mean 13%) than other HEIs (25%), though the exclusion of Oxford and Cambridge from this figure had very little effect on the mean and median (Figure 5.6).

There was little variation in the proportion of funds raised accounted for by the largest confirmed pledge depending on when the fundraising programme started. This was a median of 21 per cent for institutions with programmes established a decade or longer ago and 27 per cent for those established in the last three years.

**Figure 5.6 – Largest non-legacy confirmed pledge as % of total funds raised in year for HEIs by status (average of three years)**

HEIs	HEIs with and without Oxford and Cambridge		Survey status		Establishment of fundraising			
	With	Without	Included in last survey	New to this survey	Before 1996	1996-2002	2003 or later	None/ not given
Mean	25	25	25	24	25	25	26	17
Median	23	24	25	18	21	23	27	1
<i>Number of institutions</i>	115	113	76	39	28	30	50	7

Over the last three years, on average 38 per cent of UK HEIs received a pledge of £500,000 or more in any given year, with the mean number of such gifts being one.

During the period covered by the survey, the institutions with longest fundraising programmes have been more successful in managing to attract large gifts (Figure 5.7). Sixty-nine per cent of institutions who have a fundraising programme established over a decade ago managed to attract a gift of £500,000 or more over the period, compared with 46 per cent of institutions with a

fundraising programme between three and ten years old, and 22 per cent of institutions with a recently established programme.

**Figure 5.7 – Percentage of HEIs receiving gifts of £500,000 as confirmed pledges in year by status (average of three years)**

HEIs	HEIs with and without Oxford and Cambridge		Survey status		Establishment of fundraising			
			Included in last survey	New to this survey	Before 1996	1996-2002	2003 or later	None/not given
	With	Without						
No gifts of £500K+	62	64	51	81	31	54	78	100
Any gifts of £500K+	38	36	49	19	69	46	22	0
<i>Number of institutions</i>	<i>117</i>	<i>115</i>	<i>74</i>	<i>43</i>	<i>29</i>	<i>28</i>	<i>50</i>	<i>10</i>

For all HEIs, the mean annual number of gifts received worth £500,000 or more was one. Those institutions with fundraising programmes in place for over a decade managed a mean of three gifts worth over £500,000 per year, compared with a mean of 0.2 gifts for recently established programmes (Figure 5.8).

**Figure 5.8 – Number of gifts of £500,000 or over received as confirmed pledges in year for HEIs by status (average of three years)**

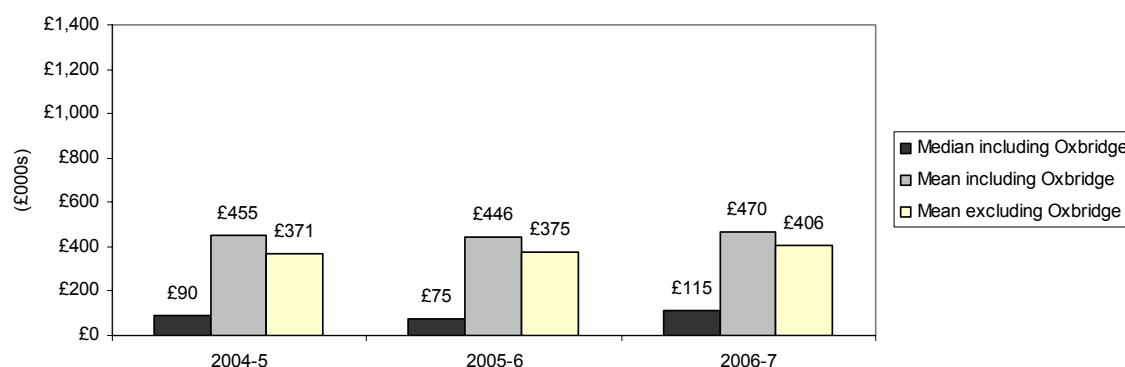
HEIs	HEIs with and without Oxford and Cambridge		Survey status		Establishment of fundraising			
			Included in last survey	New to this survey	Before 1996	1996-2002	2003 or later	None/not given
	With	Without						
<b>Number of gifts of £500,000 or over</b>	N	N	N	N	N	N	N	N
Mean	1.0	0.5	1.5	0.2	3.1	0.5	0.2	0.0
Median	0.0	0.0	0.0	0.0	0.7	0.0	0.0	0.0
<i>Number of institutions</i>	<i>117</i>	<i>115</i>	<i>74</i>	<i>43</i>	<i>29</i>	<i>28</i>	<i>50</i>	<i>10</i>

## 5.2 Largest cash gifts

### 5.2.1 Largest cash gifts in 2006-7

The mean and median values of the largest cash gifts were stable over the three years (Figure 5.9). The mean largest cash gifts were, for the three years, lower than the mean largest non-legacy confirmed pledges, being around £450,000 for each year.

**Figure 5.9 – Largest cash gifts in last three years for HEIs (£000s)**



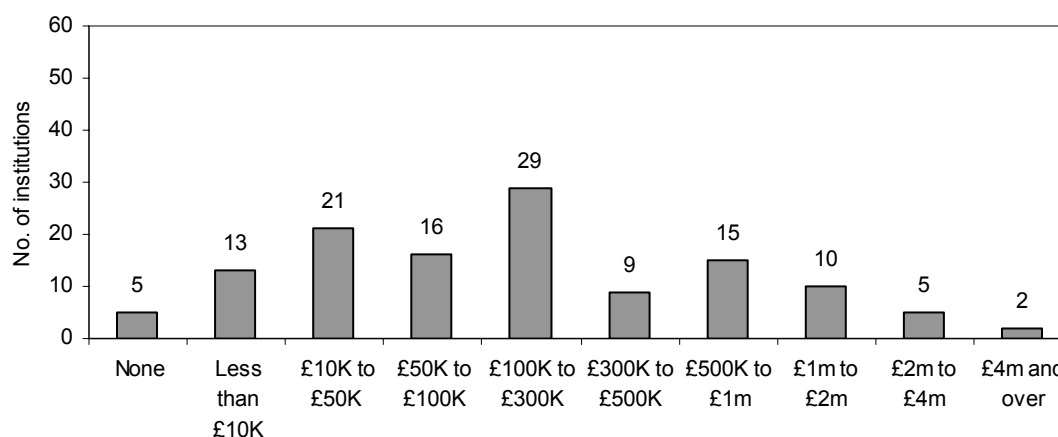
Number of HEIs: 125

## 5.2.2 Average largest cash gifts over last three years

Over the last three years, the median value of HEIs' largest cash gifts was £140,000. The mean value was considerably higher at £456,000.

As with the largest non-legacy confirmed pledges, there was a very wide range of values reported. Around three in ten HEIs had no cash gift greater than £50,000, while the highest quarter had gifts of at least £500,000 or more with the highest value reported being just over £5 million (Figure 5.10).

**Figure 5.10 – Largest cash gift in year for HEIs (average of three years)**



Number of HEIs: 125

The highest cash gifts were mostly reported by HEIs which had more established fundraising programmes (Figure 5.11). The mean largest cash gift (£946,000) reported by those with fundraising programmes which had been established for at least a decade was almost twice as much as those received by institutions with fundraising programmes established between three and ten years ago (£523,000).

However, the mean was only slightly higher when Oxford and Cambridge were included in the figures (£456,000) than when they were omitted (£384,000). As before the mean for the remaining Russell Group universities was much higher (just under £1.4 million) than the mean for the 1994 Group (£368,000) and other institutions (£196,000).

**Figure 5.11 – Largest cash gift received in year for HEIs by status (average of three years, £000s)**

HEIs	HEIs with and without Oxford and Cambridge		Survey status		Establishment of fundraising			
			Included in last survey	New to this survey	Before 1996	1996-2002	2003 or later	None/not given
	With	Without						
Mean	456	384	624	186	946	523	244	71
Median	140	136	240	57	434	224	60	26
<i>Number of institutions</i>	125	123	77	48	28	30	58	9

For universities, the most common sources of the largest cash gifts in 2006-7 were trusts and foundations (39%), followed by individuals (26%), legacy cash received (15%), and corporate donors (12%, Figure 5.12). Other universities in the UK were less reliant than English universities on trusts and foundations (29% compared with 40%) and more on other sources (12% compared with 6%).

**Figure 5.12 – Source of this largest cash gift in year by type of institution (2006-7)**

	Total HEIs	English HEIs	Other UK HEIs	English FEIs
	%	%	%	%
Trusts and foundations	39	40	29	na
Individual in lifetime	26	26	29	na
Legacy cash received	15	15	18	na
Corporate	12	13	6	na
Lottery	2	1	6	na
Other	7	6	12	na
<i>Number of institutions with cash gifts</i>	119	102	17	3

Note: Numbers are not shown for FEIs due to low base sizes (3)

Both the oldest and newest fundraising programmes were most reliant on trusts and foundations as the source of their largest cash gifts in 2006-7 (Figure 5.13). While a quarter of institutions with programmes which have been in existence for ten years or more were reliant on legacy cash income for their largest cash gift, this was true of only nine per cent of institutions with fundraising programmes less than three years old. These institutions were more reliant on living individuals for their largest cash gift (30% received their largest cash gifts from them) compared with the more established fundraising programmes.

**Figure 5.13 – Source of this largest cash gift in year for HEIs by status (2006-7)**

HEIs	HEIs with and without Oxford and Cambridge		Survey status		Establishment of fundraising			
	With	Without	Included in last survey	New to this survey	Before 1996	1996-2002	2003 or later	None/ not given
Trusts and foundations	39	39	36	43	43	27	45	25
Individual in lifetime	26	27	26	26	14	33	30	13
Legacy cash received	15	15	18	10	25	17	9	13
Corporate	12	11	13	10	7	13	9	38
Lottery	2	2	1	2	0	3	2	0
Other	7	7	5	10	11	7	4	13
<i>Number of institutions with cash gifts</i>	<i>119</i>	<i>117</i>	<i>77</i>	<i>42</i>	<i>28</i>	<i>30</i>	<i>53</i>	<i>8</i>

Institutions with less well-established fundraising programmes were more likely to depend on their largest gift for a significant proportion of their total cash raised (Figure 5.14). Those with fundraising programmes established for a decade or more found that a mean of around a quarter (23%) of their cash raised in an average year was accounted for by their largest gift, with this proportion rising to 43 per cent among institutions which had established a fundraising programme less than three years ago.

**Figure 5.14 – Largest cash gift as percentage of total cash raised in year for HEIs by status (average of three years)**

HEIs	HEIs with and without Oxford and Cambridge		Survey status		Establishment of fundraising			
	With	Without	Included in last survey	New to this survey	Before 1996	1996-2002	2003 or later	None/ not given
Mean	40	41	34	51	23	50	43	46
Median	30	31	30	33	21	32	37	42
<i>Number of institutions</i>	<i>119</i>	<i>117</i>	<i>77</i>	<i>42</i>	<i>28</i>	<i>30</i>	<i>53</i>	<i>8</i>

Over the last three years, 40 per cent of HEIs have received a cash gift of £500,000 or more (Figure 5.15). Almost two-thirds (62%) of those institutions with fundraising programmes established for over a decade, had received gifts of £500,000 or over as cash income over the last three years, compared with 22 per cent of institutions who had set up a fundraising programme less than three years ago.



**Figure 5.15 – Percentage of HEIs receiving gifts of £500,000 as cash income in year by status (average of three years)**

HEIs	HEIs with and without Oxford and Cambridge		Survey status		Establishment of fundraising			
	With	Without	Included in last survey	New to this survey	Before 1996	1996-2002	2003 or later	None/ not given
No gifts of £500K+	60	61	52	74	38	46	78	80
Any gifts of £500K+	40	39	48	26	62	54	22	20
<i>Number of institutions</i>	116	114	73	43	29	28	49	10

Overall, HEIs received a mean of 0.9 cash gifts of £500,000 or more per year over the three-year period. Those institutions with fundraising programmes established for over a decade had a higher mean number of cash gifts worth over £500,000 per year (2.6) than those which had been in existence less than three years (0.2, Figure 5.16).

**Figure 5.16 – How many gifts of £500,000 or over received as cash income in year for HEIs by status (average of three years)**

HEIs	HEIs with and without Oxford and Cambridge		Survey status		Establishment of fundraising			
	With	Without	Included in last survey	New to this survey	Before 1996	1996-2002	2003 or later	None/ not given
Mean	0.9	0.5	1.3	0.2	2.6	0.6	0.2	0.2
Median	0.0	0.0	0.0	0.0	0.3	0.3	0.0	0.0
<i>Number of institutions</i>	116	114	73	43	29	28	49	10

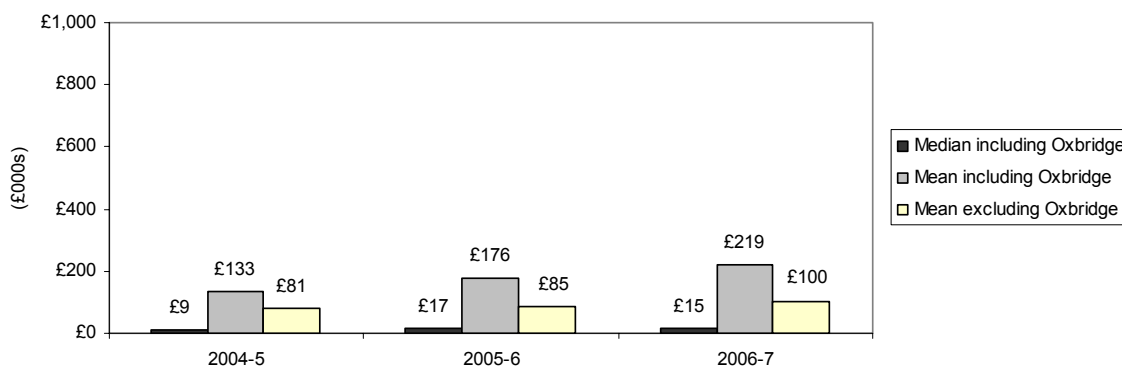
## 6 Annual Fund income

### 6.1 Annual Fund income in 2006-7

The Annual Fund income received by the participating HEIs was £25 million in 2006-7. This measure is the total cash income received by the Annual Fund in the given year.

The figure for Annual Fund income received has grown steadily over the last three years and the mean level of Annual Fund income received (worth £219,000 in 2006-7) has grown in a similar manner (Figure 6.1). The median level has grown at a much lower level.

**Figure 6.1 – Total cash income received by Annual Fund in last three years for HEIs (£000s)**



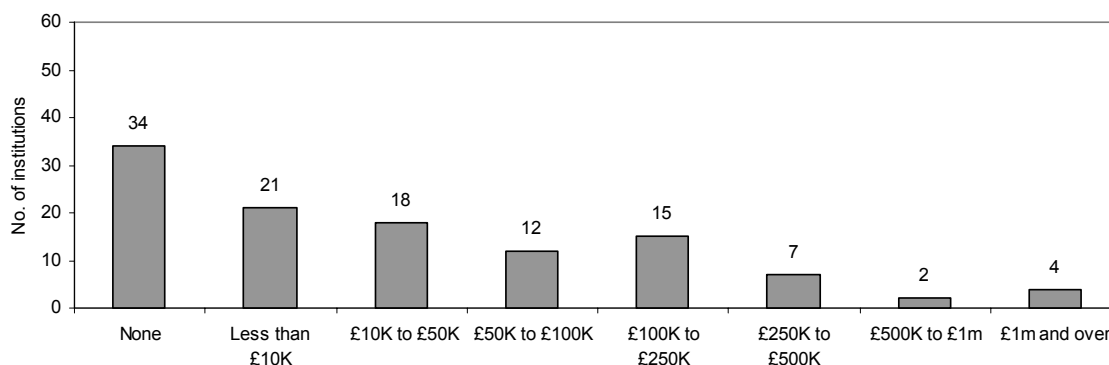
Number of HEIs: 112

### 6.2 Annual Fund income over the last three years

The median value of participating HEIs' annual fund income received was £14,000 and the mean was £183,000, reflecting very high values for some institutions.

As with many of the other measures the distribution of Annual Fund income received was widely spread. Thirty per cent of universities reported no Annual Fund income received over the three years, with a further third reporting income of under £50,000 per year. Four institutions, however, achieved average Annual Fund cash received of £1 million or more over the period, with another two managing an average of between £500,000 and £1 million over the three years.

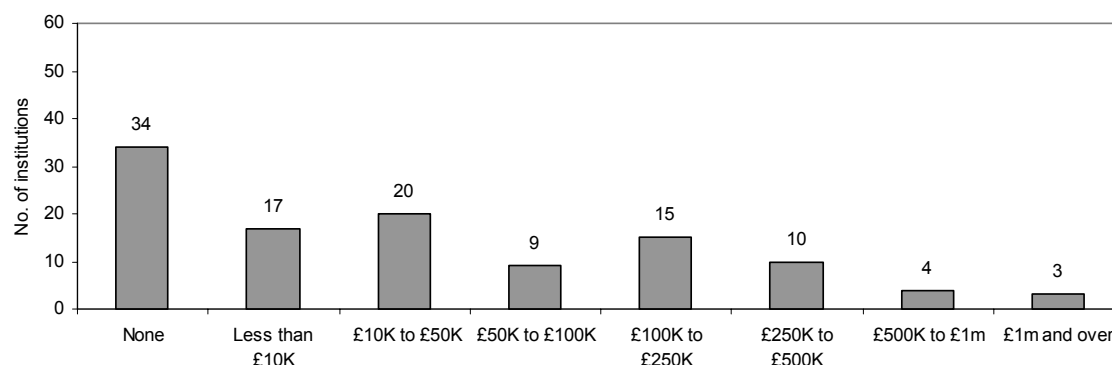
**Figure 6.2 – Total cash income received by Annual Fund in year for HEIs (average of three years)**



Number of HEIs: 113

The pattern for 2006-7 is extremely similar to that for the three years as a whole (Figure 6.3), with some progress evident from the left to the right of the chart (i.e. more institutions moving into the higher income groups).

**Figure 6.3 – Total cash income received by Annual Fund in year for HEIs (2006-7)**



Number of HEIs: 112

The differences in the mean Annual Fund cash income received per year were not greatly affected by whether Oxford or Cambridge were included in the calculations (Figure 6.4). Oxford and Cambridge both ask the colleges to identify funds raised and cash received through their Annual Funds. The figures given by the colleges are then added to the figures for the central Annual Fund maintained by each university, to produce overall Annual Fund figures for each university.

As seen with other measures in the survey, the mean Annual Fund cash income received figures were highest for Oxford and Cambridge, followed by the Russell Group, 1994 Group and other institutions.

Breaking the Annual Fund income received figures down by longevity of fundraising shows the mean figures are highest for institutions with the oldest fundraising programmes.

**Figure 6.4 – Total cash income received by Annual Fund in year for HEIs by status (average of three years, £000s)**

HEIs	HEIs with and without Oxford and Cambridge		Survey status		Establishment of fundraising			
			Included in last survey	New to this survey	Before 1996	1996-2002	2003 or later	None/ not given
	With	Without						
Mean	183	87	254	44	572	63	51	5
Median	14	10	44	0	163	39	2	0
Number of institutions	113	111	75	38	29	25	50	9

An analysis of the Annual Fund income for 2006-7 (Figure 6.5) reveals largely the same pattern by sub-group as that seen for the average over three years.

**Figure 6.5 – Total cash income received by Annual Fund in year for HEIs by status (2006-7, £000s)**

HEIs	HEIs with and without Oxford and Cambridge		Survey status		Establishment of fundraising			
	With	Without	Included in last survey	New to this survey	Before 1996	1996-2002	2003 or later	None/ not given
Mean	219	100	303	51	677	74	62	7
Median	15	14	43	0	182	41	3	0
<i>Number of institutions</i>	112	110	75	37	29	25	49	9

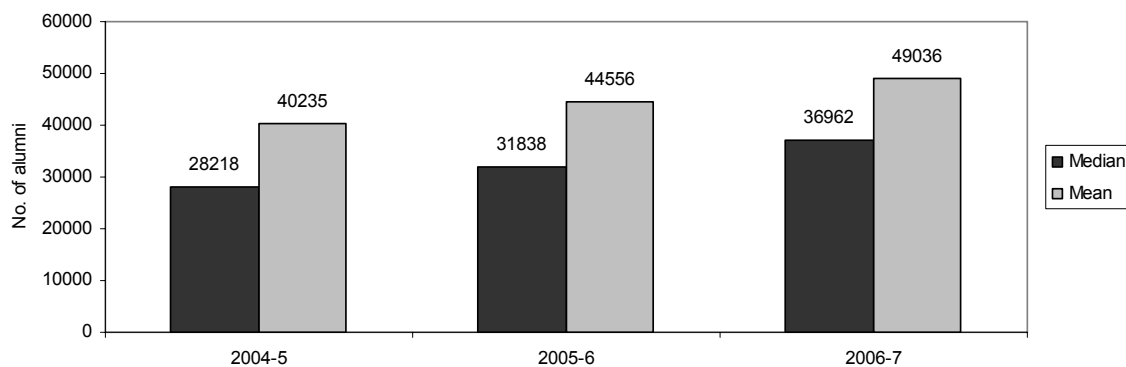
# 7 Alumni and donors

## 7.1 Addressable alumni

There has been a steady upward trend in the numbers of addressable alumni across the three years covered by the survey (Figure 7.1). The median number rose from 28,218 in 2004-5 to 36,962 in 2006-7. The mean number rose from 40,235 to 49,036 over the same period.

When examining the number of addressable alumni it is important to note that the number of addressable alumni reported in this survey will be constrained by a number of factors. Firstly, the number of students who graduate each year will limit the number of new alumni, therefore the age of the university will affect the pool of potential addressable alumni. These new alumni are likely to result in a reduction in the percentage participating because new graduates, who tend to be younger, do not have strong giving patterns. Secondly, the number reported will be affected by the institution's facilities and resources to accurately record their contact details. Thirdly, the physical size of each institution clearly influences alumni numbers.

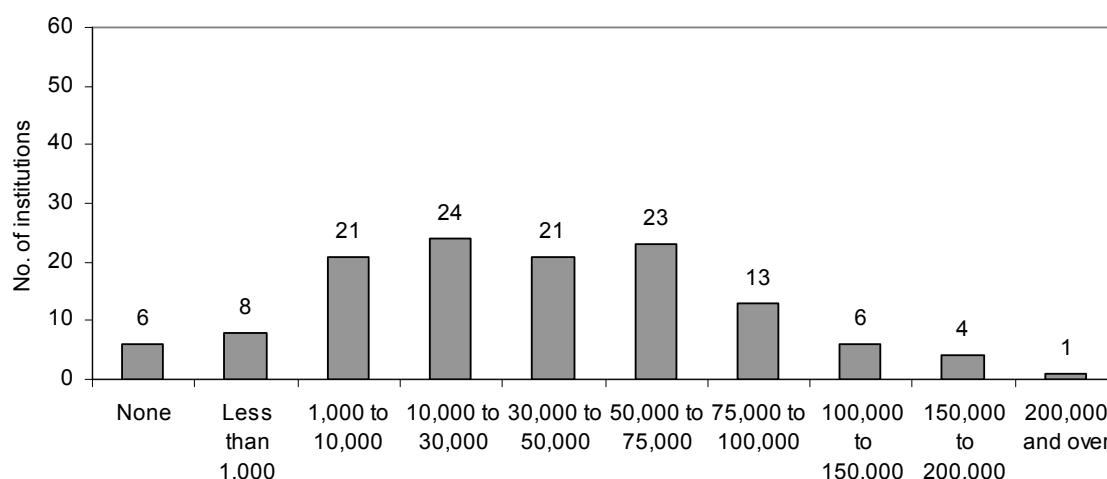
**Figure 7.1 – Addressable alumni in last three years for HEIs**



Number of HEIs: 127

There is a great deal of variation in the average number of addressable alumni reported by participating UK universities over the last three years. While just over one in ten (11%) reported an average of less than 1,000 addressable alumni, a small number of universities report having many more. At the top end of the distribution, five universities have over 150,000 with one reporting in excess of 300,000 (Figure 7.2).

**Figure 7.2 – Addressable alumni in year for HEIs (average of three years)**



Number of HEIs: 127

Those establishments with long-standing fundraising programmes generally had many more addressable alumni than those who did not (Figure 7.3). The institutions whose fundraising programmes had been in place for over a decade had a mean of 77,779 addressable alumni (with the median only a little lower at 71,167) across the three-year period. Those whose fundraising programmes had been in operation for less than three years had less than half that number, with a mean of 32,818 addressable alumni (and a median of 21,615). This difference may suggest that long-established programmes have been successful at cleaning their databases and reaching more alumni.

The very slight differences in the figures dependent on whether Oxford or Cambridge are included, shows that there is a significant body of institutions who have a similar number of addressable alumni to those two universities. The remaining Russell Group universities reported a mean of just over 100,000 alumni, compared with a mean of just over 46,000 for the 1994 Group and just under 31,000 for other institutions.

**Figure 7.3 – Addressable alumni in year for HEIs by status (average of three years)**

HEIs	HEIs with and without Oxford and Cambridge		Survey status		Establishment of fundraising			
			Included in last survey	New to this survey	Before 1996	1996-2002	2003 or later	None/not given
	With	Without						
Mean	44609	42509	62980	16316	77779	41449	32818	27658
Median	32000	31764	52057	5094	71167	34849	21615	8539
Number of institutions	127	125	77	50	29	29	58	11

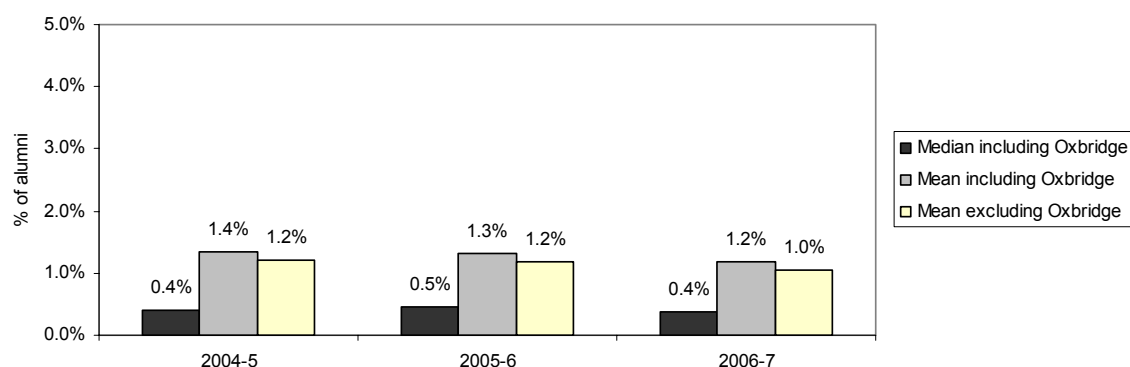
## 7.2 Alumni making donations

The caveats expressed above regarding the number of alumni are particularly important to note when considering the proportion of HEIs' alumni who are making a donation. As already noted, the number of addressable alumni an institution already has can have a deceptive impact on the figures. For example, a large institution that is very efficient at keeping track of its alumni may struggle to increase its ratio of donors to addressable alumni, as the large number of alumni graduating each year, most of whom will not be donors, will depress the figures. Even if the

number of donors is increasing, this can be masked by the large number of new alumni every year who are not yet in a position to donate. Conversely, a new institution with a newly established or no fundraising programme may be able to achieve a good ratio, purely because it has not yet had the chance to build up a large total of addressable alumni.

The proportion of participating HEIs' alumni who made a donation in each of the last three years has remained stable (Figure 7.4). In 2006-7 the median proportion of addressable alumni who made a donation was 0.4 per cent, while the mean was 1.2 per cent. These figures were comparable to those for the previous two years.

**Figure 7.4 – Percentage of addressable alumni making a donation in last three years for HEIs**

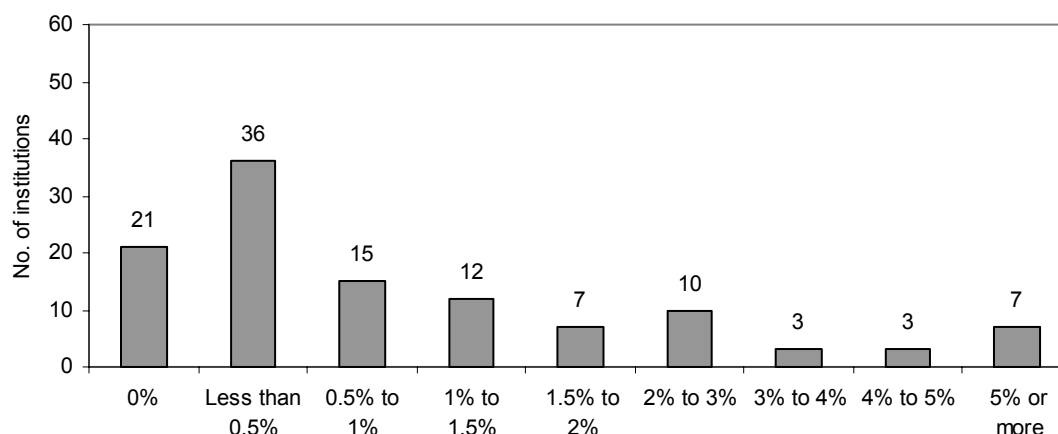


*Number of HEIs: 119*

Just under one in five (18%) HEIs received no donations from their alumni in the last three years, while, at the other end of the range, about one in ten received donations from four per cent or more of their alumni (Figure 7.5).

The universities which received donations from four per cent or more of their alumni were more likely to have more established fundraising programmes with eight of the 10 HEIs having programmes established more than a decade ago while similarly seven of these universities reported being in a capital campaign in July 2007. Interestingly, not all of these HEIs had a large number of FTE staff working on alumni relations or fundraising. Whilst four of these institutions reported having a FTE of more than 10 staff working on alumni relations, four institutions were at the other end of the distribution, reporting a FTE of about one for this work. However, eight of the HEIs achieving four per cent or more did have four or more FTE staff working mainly on fundraising with four of these HEIs having 20 or more FTE staff working on this.

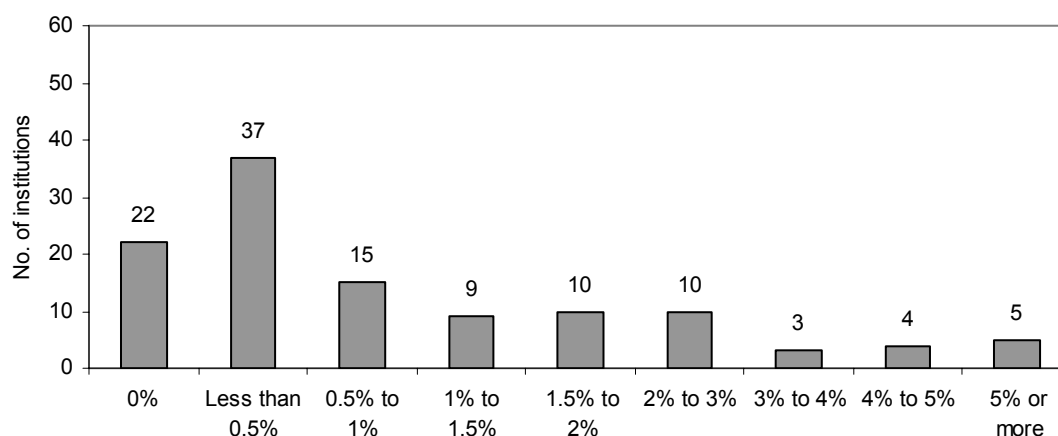
**Figure 7.5 – Percentage of addressable alumni making a donation in year for HEIs (average of three years)**



Number of HEIs: 114

The picture in 2006-7 was consistent with that for the three-year average (Figure 7.6)

**Figure 7.6 – Percentage of addressable alumni making a donation in year for HEIs (2006-7)**



Number of HEIs: 115

Those institutions with long-standing fundraising programmes not only had more addressable alumni to approach, but also succeeded in generating a higher proportion of addressable alumni making donations (Figure 7.7). Those institutions whose fundraising programmes had been active for ten years or more had a mean of 3.3 per cent of alumni making a donation per year, compared with just 0.5 per cent for institutions who had only started their fundraising programme less than three years ago.

Oxford and Cambridge had a mean of 11.1 per cent of addressable alumni making a donation per year over the period. The other Russell Group universities had a mean of 1.9 per cent of their alumni making a donation, with the 1994 Group at 1.9 per cent. Other institutions reported a mean of 0.8 per cent of their alumni making a donation per year over the period.



**Figure 7.7 – Percentage of addressable alumni making a donation in year for HEIs by status (average of three years, £000s)**

HEIs	HEIs with and without Oxford and Cambridge		Survey status		Establishment of fundraising			
			Included in last survey	New to this survey	Before 1996	1996-2002	2003 or later	None/ not given
	With	Without						
Mean	1.3%	1.1%	1.5%	0.9%	3.3%	1.0%	0.5%	0.5%
Median	0.5%	0.4%	0.9%	0.0%	2.1%	0.7%	0.1%	0.0%
Minimum	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Maximum	13.0%	11.1%	11.1%	13.0%	13.0%	4.9%	5.6%	2.3%
<i>Number of institutions</i>	119	117	77	42	29	28	55	7

The picture in 2006-7 was consistent with that for the three-year average (Figure 7.8)

**Figure 7.8 – Percentage of addressable alumni making a donation in year for HEIs by status (2006-7, £000s)**

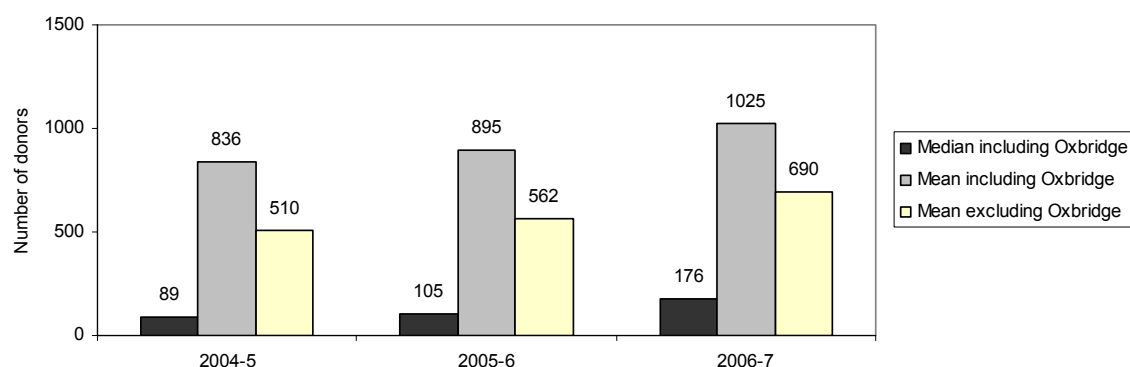
HEIs	HEIs with and without Oxford and Cambridge		Survey status		Establishment of fundraising			
			Included in last survey	New to this survey	Before 1996	1996-2002	2003 or later	None/ not given
	With	Without						
Mean	1.2%	1.0%	1.5%	0.8%	3.2%	0.9%	0.4%	0.4%
Median	0.4%	0.4%	0.8%	0.0%	2.1%	0.6%	0.1%	0.0%
Minimum	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Maximum	11.8%	11.8%	11.6%	11.8%	11.8%	4.0%	3.7%	1.9%
<i>Number of institutions</i>	119	117	77	42	29	28	55	7

### 7.3 Donors

The median number of donors in 2006-7 for participating HEIs was 176 while the mean number was 1,025 (Figure 7.9). While the mean number of donors has increased by 23 per cent since 2004-5 (from 836 to 1,025), the median number has increased by 98 per cent. This suggests a lessening of the difference between institutions in terms of their total number of donors over the three-year period.

The effect of Oxford and Cambridge on the total number of donors who made a gift is apparent from comparing the overall figure for HEIs with the figures when Oxford and Cambridge are removed.

**Figure 7.9 – Total donors who made a gift for any purpose in last three years for HEIs**



Number of HEIs: 124

Looking at the average per year over the three-year period, the mean number of donors for HEIs was 935, with a median of 160 (Figure 7.10).

A clear positive relationship was observed between the length of an HEI's fundraising programme and the number of total donors it had. Those with fundraising programmes established for over a decade had a mean of almost 3,000 donors per year compared with 192 for those whose fundraising programmes had been set up three years ago.

Oxford and Cambridge make a difference to the figures, raising the mean number of total donors from 618 to 935 if they are counted in the figures (but not affecting the median greatly). The other Russell Group universities had a mean of just under 2,000 donors per year over the period, the 1994 Group a mean of just under 1,000 donors and other institutions just under 300 donors.

**Figure 7.10 – Total donors who made a gift for any purpose in year for HEIs by status (average of three years, whole number)**

HEIs	HEIs with and without Oxford and Cambridge		Survey status		Establishment of fundraising			
			Included in last survey	New to this survey	Before 1996	1996-2002	2003 or later	None/ not given
	With	Without						
Mean	935	618	1443	156	2941	628	192	166
Median	160	155	455	23	1467	307	34	0
Number of institutions	124	122	75	49	29	29	56	10

## 8 Fundraising Expenditure

This chapter looks at the fundraising expenditure incurred by the UK Higher and Further Education sector over the last three years.

All the data reported in this chapter, unlike the other chapters, exclude institutions that reported starting their development or fundraising programme in 2003 or later, or who do not have a programme. The reason for this is that including such institutions would give a misleading picture of the efficiency of institutions' fundraising. Institutions which start a fundraising programme will inevitably commit significant sums in investment in staff and associated overheads such as databases at the start of the programme, while there will be a time lag between this and when it starts to bear fruit in terms of income and pledges received. Hence we believe that it is most meaningful to look at institutions which have had a fundraising programme in place for at least three full financial years. This is supported by the stable increase in the median fundraising expenditure amongst this group of HEIs from £21,000 in 2004-5 to £52,000 in 2005-6 and £90,500 in 2006-7. Similarly, the median expenditure per pound raised increased from 13p in 2004-5 to 47p in 2006-7.

The institutions which participated in the £7 million UUK sponsored Matched Funding for fundraising programme which began in 2004 and who participated in the survey reported a large increase in their fundraising costs. Total fundraising expenditure increased from a median of £110,000 in 2004-5 to £157,500 in 2005-6 and £258,000 in 2006-7. Whilst these institutions reported similar median cash incomes in 2004-5 and 2005-6 (£268,000 and £280,000 respectively) the increase to £380,000 in 2006-7 suggests that they will start to see an increase in the return for their investment in the next couple of years.

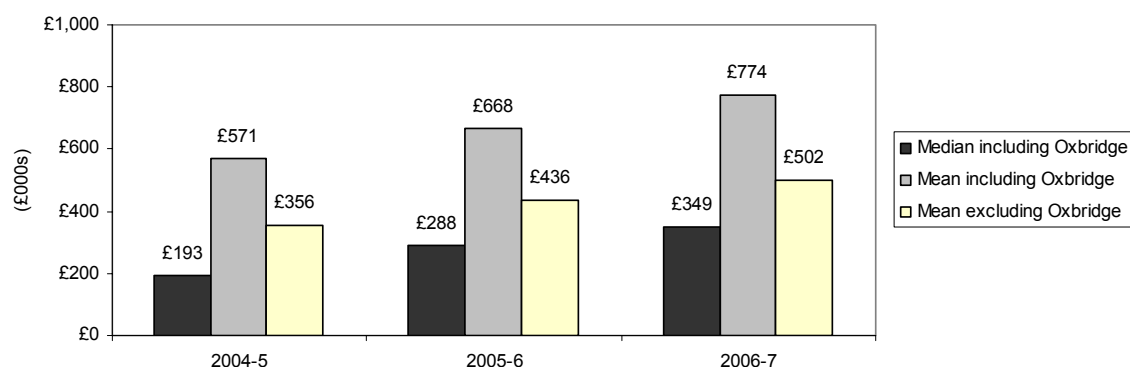
### 8.1 Total fundraising expenditure

Fundraising expenditure includes the staff costs of, and non-staff expenditure relating to the activities undertaken by: Development Director, development/gift officers, legacy officers, trust/foundation officers, and PAs/secretaries for the above. It also includes 50% of the costs of operations and databases, including operational heads, and database managers and officers. (NB it does NOT include alumni relations and non-staff expenditure, as outlined below).

Fundraising expenditure rose appreciably over the three years covered by this survey. Total expenditure across the selected participating HEIs rose from £34 million in 2004-5 to £46 million in 2006-7, which was an increase of around a third of the first year's total.

This represented an increase in mean expenditure per HEI from £571,000 in the first year to £774,000 in the latest year (Figure 8.1). The median value of fundraising expenditure rose from £193,000 in 2004-5 to £349,000 in 2006-7.

**Figure 8.1 – Total fundraising expenditure in last three years for HEIs (£000s)**



Number of HEIs: 59

Looking at the figures over a three-year period, the mean total fundraising expenditure per university was £671,000 per year, with a median of £303,000 per year. Oxford and Cambridge had a strong effect on mean expenditure levels (Figure 8.2). With those institutions excluded, the mean fundraising expenditure for HEIs fell from £671,000 to £431,000. As with other measures there were sharp variations by type of university. Other Russell Group members spent a mean of £823,000 per year on fundraising over the period, with the 1994 Group spending a mean of £280,000 and other institutions £331,000.

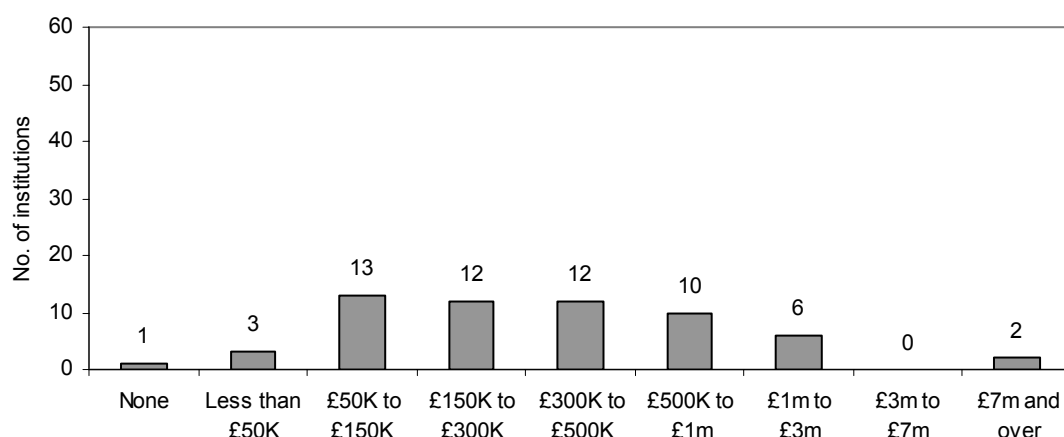
In general, the HEIs that had longer-established fundraising programmes also had higher expenditure. Institutions with fundraising programmes over a decade old spent over three times as much on fundraising as did those with programmes which had lasted between three and ten years, and correspondingly raised more.

**Figure 8.2 – Total fundraising expenditure in year for HEIs by status (average of three years, £000s)**

HEIs	HEIs with and without Oxford and Cambridge		Survey status		Establishment of fundraising	
	With	Without	Included in last survey	New to this survey	Before 1996	1996-2002
Mean	671	431	796	305	1035	319
Median	303	274	333	140	481	183
Number of institutions	59	57	44	15	29	30

As already noted, there was considerable variation in the total fundraising expenditure among the selected HEIs across the three-year period (Figure 8.3). Almost half (41%) of selected institutions had a total fundraising expenditure of between £150,000 and £500,000 per year with the other 59 per cent evenly distributed either side. Eight institutions reported spending £1 million or more per year on fundraising over the period with two institutions (Oxford and Cambridge) spending more than £7 million.

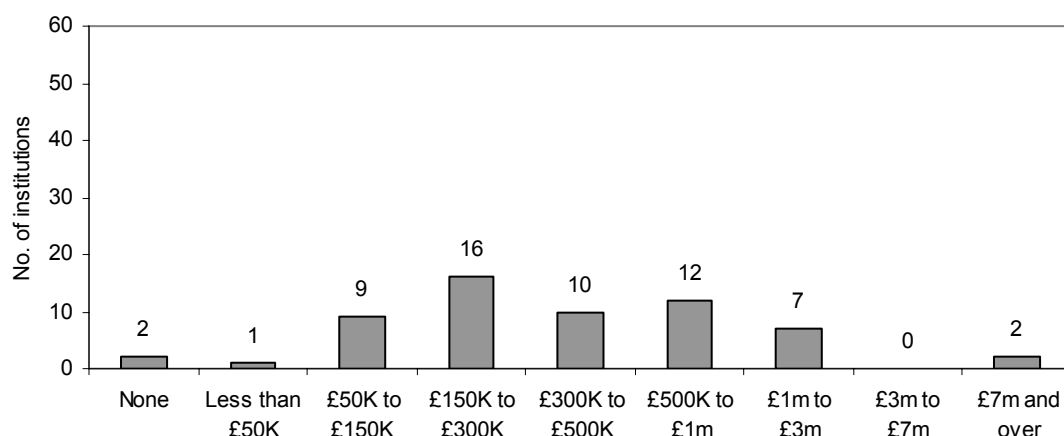
**Figure 8.3 – Total fundraising expenditure in year for HEIs (average of three years)**



Number of HEIs: 59

The pattern for 2006-7 is extremely similar to that for the three years as a whole (Figure 8.4), with some progress evident from the left to the right of the chart (i.e. more institutions moving into the higher spending groups).

**Figure 8.4 – Total fundraising expenditure in year for HEIs (2006-7)**

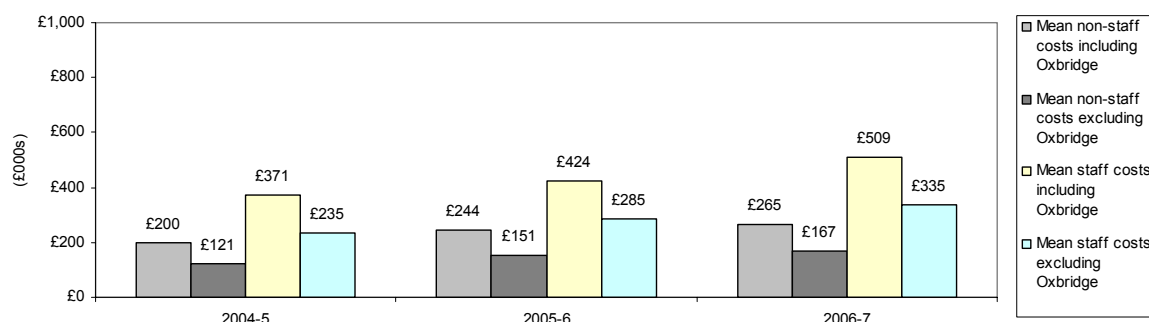


Number of HEIs: 59

## 8.2 Structure of fundraising costs

The majority of fundraising costs were staffing costs (Figure 8.5). These increased at roughly the same pace as non-staffing costs over the three years covered by the survey (by around a third). Mean staff costs were £509,000 in 2006-7, with mean non-staffing costs amounting to £265,000. Non-staff costs represent a mean of 33 per cent of HEIs total fundraising expenditure in the last three years and have remained stable in the last three years having decreased slightly from 33 per cent in 2004-5 to 32 per cent in 2006-7. There is little difference in the proportion of total expenditure spend on non-staff costs by the length of fundraising programme. HEIs with programmes which were established more than a decade ago had a mean percentage spend on non-staff costs over the three years of 35 per cent compared to 31 per cent for those which were between three and ten years old.

**Figure 8.5 – Staffing and non-staffing fundraising expenditure in last three years for HEIs (£000s)**



Number of HEIs: 59

Over the three-year period the mean fundraising staffing costs for selected participating HEIs were £435,000 a year. These mean values were much higher than the median staffing costs, reflecting the substantially higher staffing costs reported by a minority of universities. The median fundraising staffing costs for HEIs were £176,000.

Oxford and Cambridge had a particularly strong effect on the mean fundraising staff costs (Figure 8.6). When the analysis excluded these universities the mean costs fell from £435,000 to £285,000. As was observed for total fundraising expenditure, institutions with longer-established fundraising programmes had higher average fundraising staff costs than those with more recently established programmes. Institutions with programmes which were established more than a decade ago had mean fundraising staff costs of £671,000 a year compared to £206,000 for those which were between three and ten years old.

**Figure 8.6 – Fundraising staff costs in year for HEIs by status (average of three years, £000s)**

HEIs	HEIs with and without Oxford and Cambridge		Survey status		Establishment of fundraising	
	With	Without	Included in last survey	New to this survey	Before 1996	1996-2002
Mean	435	285	523	176	671	206
Median	176	163	238	114	287	130
Number of institutions	59	57	44	15	29	30

Over the three year period the mean fundraising non-staff costs for HEIs were £236,000 a year. These mean values were much higher than the median non-staff costs, reflecting the substantially higher non-staff costs reported by a minority of universities. The median fundraising non-staff costs for HEIs were £90,000.

As with staffing costs, Oxford and Cambridge had a particularly strong effect on the mean fundraising non-staff costs (Figure 8.7). When the analysis excluded these universities the mean costs fell from £236,000 to £146,000. As was observed for fundraising staff costs, institutions with longer-established fundraising programmes had higher average non-staff costs than those with more recently established programmes. Institutions with programmes which were established more than a decade ago had mean fundraising non-staff costs of £364,000 a year compared to £113,000 for those which were between three and ten years old.

**Figure 8.7 – Fundraising non-staff costs in year for HEIs by status (average of three years, £000s)**

HEIs	HEIs with and without Oxford and Cambridge		Survey status		Establishment of fundraising	
			Included in last survey	New to this survey	Before 1996	1996-2002
	With	Without				
Mean	236	146	273	129	364	113
Median	90	73	111	29	180	55
<i>Number of institutions</i>	59	57	44	15	29	30

### 8.3 Fundraising expenditure per pound raised

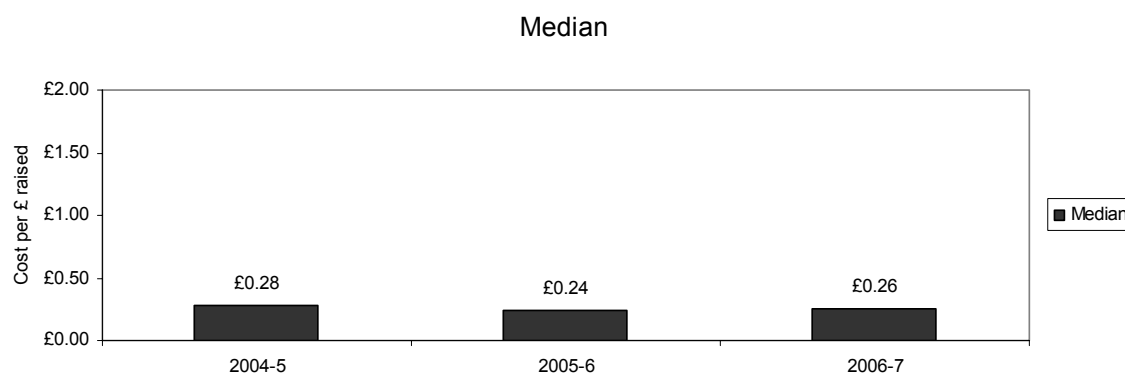
The steering committee of the Ross–CASE survey understand that the development office budget does not fully account for related development expenditures (such as Vice-Chancellors’ and other academics’ time) within an institution and that some gifts which count as philanthropic may not be managed by the development office. This budget expenditure figure is, however, an institution’s formal commitment to the development endeavour, and therefore in comparison to cash income provides a pence on the pound ratio, which is a stable point of comparison between institutions and hence is extremely useful. It is the single most consistent data figure for this purpose. This figure is also not necessarily a measure of the performance of any individual development office within an institution and this survey does not attempt to measure that office performance. Performance measures rightly differ at individual institutions. It is important to note that 100 per cent of the gifts go to the purposes selected by the donor and no portion goes to support this expenditure ratio.

In general, well-managed, sustained investment in fundraising has a direct relation to amount of funds raised. Greater investment is often required to produce more income. In many fields a low ratio, that is a high yield of cash from a low investment, would be regarded as a good result. But it is possible to take this too far in fundraising: high cash yields from low investments may in fact indicate an underfunded programme, rather than good efficiency. A consistently high ratio is, however, a flag for concern. Care also is needed when interpreting the results in a period of substantial investment in fundraising because some lag may be expected between increased expenditure and any yield in income. For this reason the median values of expenditure per pound raised are more useful than the mean values.

The goal for institutions is to achieve a consistency of expenditure with steady growth of income. A new fundraising office is frequently marked by strong fluctuations in cost measurement, and may benefit better by monitoring absolute return – that is, ensuring there is consistent growth in total income less total costs, in the start-up years when the possibilities for income are still being tested and explored. For this reason the median values of expenditure per pound raised are more useful than the mean values.

Overall, the median value of selected participating HEIs’ fundraising expenditure per pound raised in 2006-7 was 26p, this was similar to the median expenditures in 2004-5 (28p) and 2005-6 (24p, Figure 8.8).

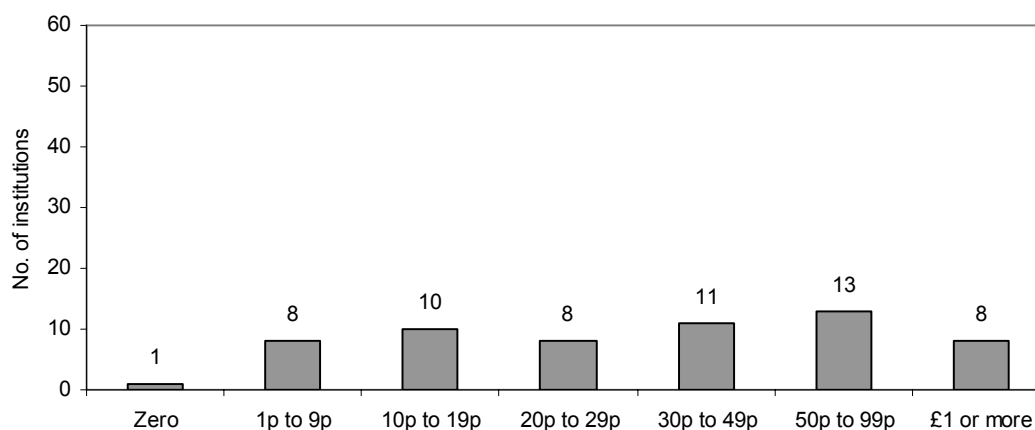
**Figure 8.8 – Fundraising expenditure per pound raised in last three years for HEIs (£000s)**



Number of HEIs: 59

There was considerable variation in the fundraising expenditure per pound raised between universities (Figure 8.9). Whilst at the top end of the distribution eight institutions reported a ratio of at least one pound for every pound raised 64 per cent of universities reported less than 50p expenditure per pound raised. Around 30 per cent of universities had achieved what some may regard as the ideal ratio of between 10 and 30 pence spent for every pound raised.

**Figure 8.9 – Fundraising expenditure per pound raised in year for HEIs (average of three years)**



Number of HEIs: 59

As expected, the median expense per pound raised decreased as the age of HEIs fundraising programmes increased (Figure 8.10). Programmes which were established more than a decade ago spent an average of 23p per pound raised compared to 45p amongst universities with programmes between three and ten years old. The exclusion of Oxford and Cambridge from these figures made no difference to the median expenditure per pound raised. This may suggest that, despite appearing to be performing well by achieving a low ratio, in some cases institutions are investing small sums in their fundraising programmes and therefore not achieving their potential in philanthropic income.

The fact that excluding Oxford and Cambridge makes little difference to the figures shows that although they invest a lot more in fundraising, they also receive a lot more in pledges and income.

The Russell Group universities excluding Oxford and Cambridge spent more on average than other types of universities on fundraising and also saw the best return on their investments. They



achieved a cost per pound raised ratio of 17p, compared with 46p for the 1994 Group and 94p for the other institutions.

**Figure 8.10 – Fundraising expenditure per pound raised for HEIs by status (average of three years, £s)**

HEIs	HEIs with and without Oxford and Cambridge		Survey status		Establishment of fundraising	
	with	without	Included in last survey	New to this survey	Before 1996	1996-2002
Median	0.32	0.32	0.28	0.63	0.23	0.45
<i>Number of institutions</i>	59	57	44	15	29	30

## 8.4 Expenditure on alumni relations

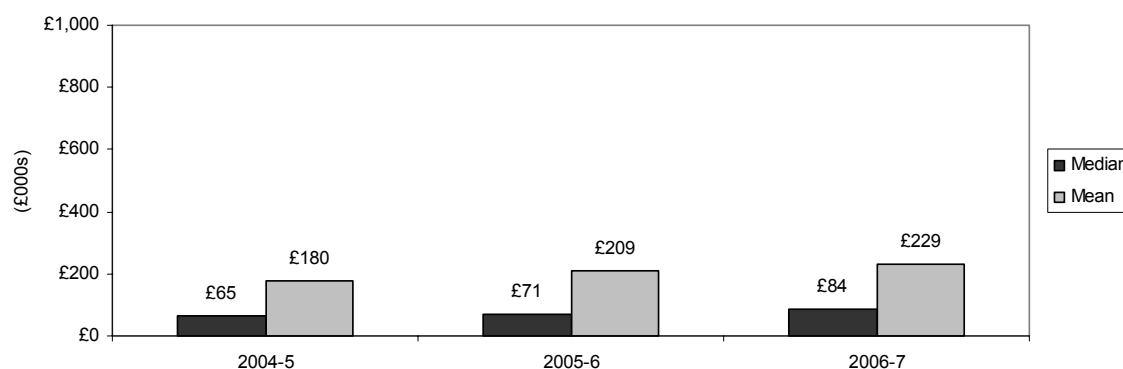
Alumni relations expenditure includes all alumni relations staff costs, and non-staff expenditure relating to the activities undertaken by: Alumni Relations officers, magazine/communications staff, events officers, and PAs/secretaries for the above. It also includes 50% of the costs of operations and databases, including operational heads, and database managers and officers. (NB it does NOT include the costs of printing or posting the alumni magazine, which are accounted for separately).

There is a positive correlation between expenditure on alumni relations and the percentage of addressable alumni who made a gift for any purpose.

The selected participating HEIs reported alumni relations expenditure of £13.3 million in 2006-7. HEIs' expenditure on alumni relations rose slightly over the three years covered by the survey, from a median value of £65,000 in 2004-5 to £84,000 in 2006-7 (Figure 8.11). Mean values, which were much higher (reflecting a minority of institutions that had very large expenditure in this area) rose from £180,000 to £229,000 over the same period. There were nine HEIs that reported expenditure of over £350,000 with two (Oxford and Cambridge) spending over £2 million on alumni relations in 2006-7. Expenditure on alumni relations will be to a degree dictated by the size of the alumni base. An institution with a large alumni base will have to spend more in order to run a quality fundraising programme.

The median ratio of expenditure on alumni relations to total fundraising expenditure as an average over the three years covered by the survey was 34 per cent. This percentage has decreased from 35 per cent in 2004-5 to 32 per cent in 2005-6 and 25 per cent in 2006-7.

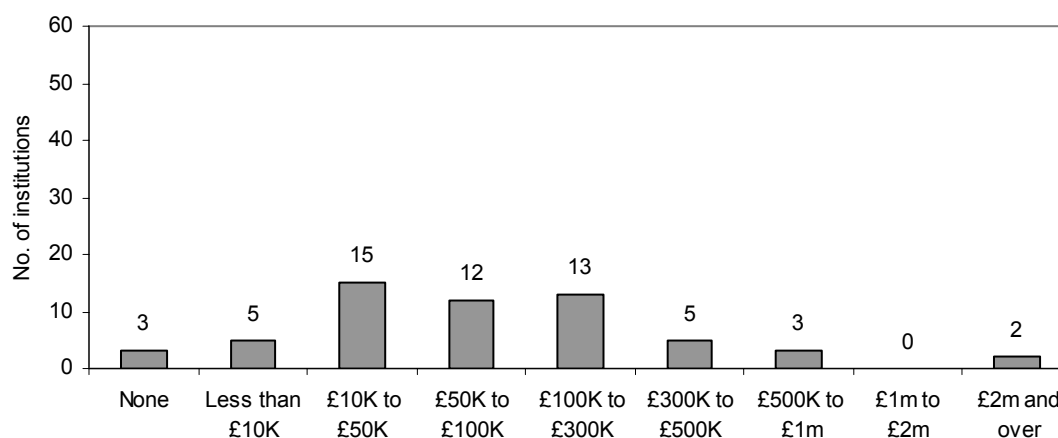
**Figure 8.11 – Expenditure on alumni relations (excluding the cost of the alumni magazine) in last three years for HEIs**



Number of HEIs: 58

As shown in Figure 8.12, there was considerable variation between HEI's expenditure on alumni relations. Thirty-five institutions (60%) reported expenditure below £100,000, 18 reported expenditure between £100,000 and £500,000 and five reported expenditure above this level. Oxford and Cambridge reported an average expenditure of over £2 million.

**Figure 8.12 – Expenditure on alumni relations (excluding the cost of the alumni magazine) in year for HEIs (average of three years)**



Number of HEIs: 58

As with other expenditure figures reported, the mean figures for expenditure on alumni relations were much higher than the median figures, which can be accounted for by a small number of universities that had much higher expenditure.

The HEIs that had longer-established fundraising programmes had much higher expenditure on alumni relations than those with more recently established programmes (Figure 8.13). Universities with fundraising programmes which have been established for a decade or more had a median expenditure on alumni relations three times that of those with programmes which were established between ten and three years ago.

While Oxford and Cambridge made a dramatic difference to the figures, the other Russell Group universities spent a mean of £264,000 per annum on alumni relations over the three years, with the 1994 Group spending a mean of £79,000 and other institutions £89,000.

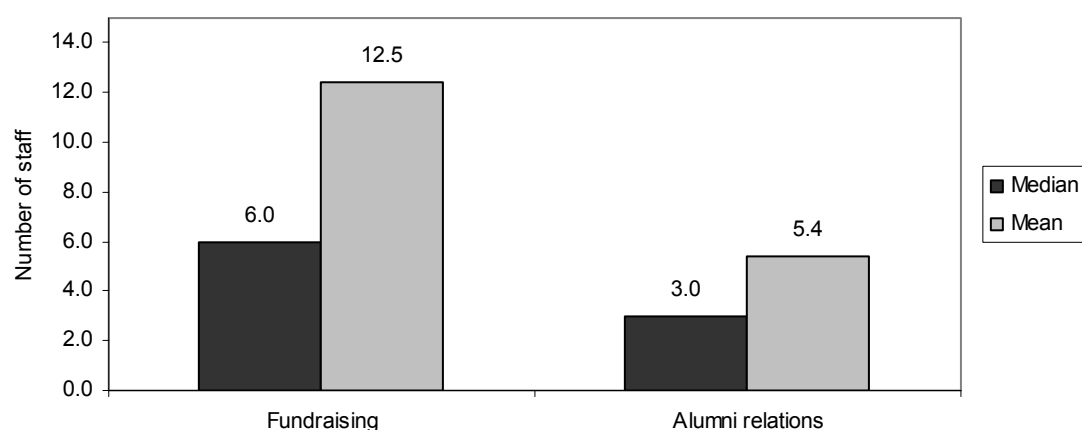
**Figure 8.13 – Expenditure on alumni relations (excluding the cost of the alumni magazine) in year for HEIs by status (average of three years, £000s)**

HEIs	HEIs with and without Oxford and Cambridge		Survey status		Establishment of fundraising	
			Included in last survey	New to this survey	Before 1996	1996-2002
	With	Without				
Mean	202	127	259	23	329	76
Median	72	67	106	13	143	46
<i>Number of institutions</i>	58	56	44	14	29	29

## 8.5 Fundraising and alumni staffing

The median number of FTE fundraising staff per selected participating HEI was 6.0 and the median number of alumni relations staff was 3.0 (Figure 8.14).

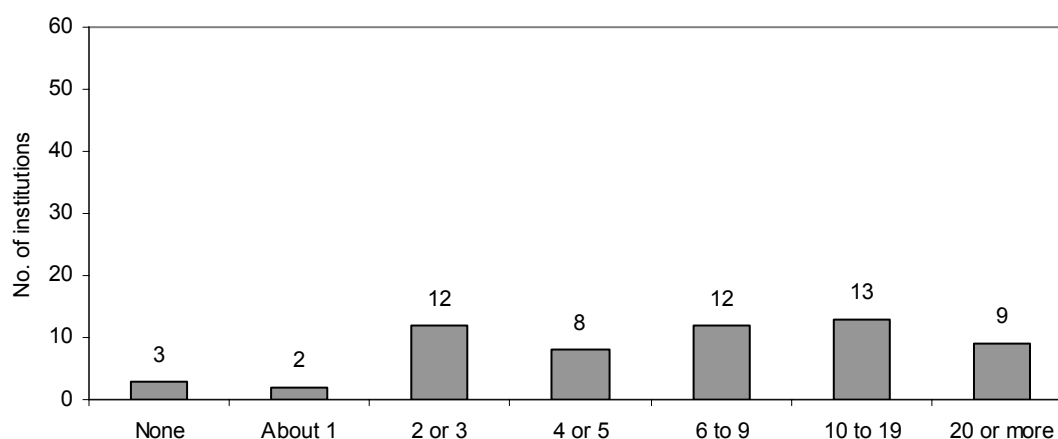
**Figure 8.14 – FTE staff working mainly on fundraising and alumni relations for HEIs**



*Number of HEIs: 59*

While the majority (58%) of HEIs had six or more fundraising staff, 29 per cent had three or fewer (Figure 8.15).

**Figure 8.15 – FTE staff working mainly on fundraising in year for HEIs**



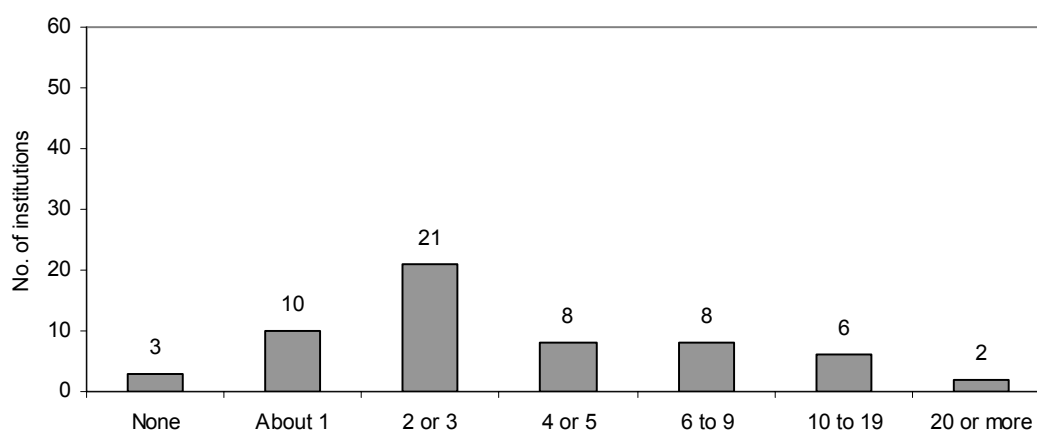
Number of HEIs: 59

**Figure 8.16 – FTE staff working mainly on fundraising for HEIs by status**

HEIs	HEIs with and without Oxford and Cambridge		Survey status		Establishment of fundraising	
	With	Without	Included in last survey	New to this survey	Before 1996	1996-2002
Mean	12.5	8.4	15.2	4.4	19.0	6.1
Median	6.0	5.8	7.5	3.0	9.7	4.0
Number of institutions	59	57	44	15	29	30

While 41 per cent of HEIs had four or more staff working mainly on alumni relations, 59 per cent had three or fewer (Figure 8.17).

**Figure 8.17 – FTE staff working mainly on alumni relations in year for HEIs**



Number of HEIs: 58

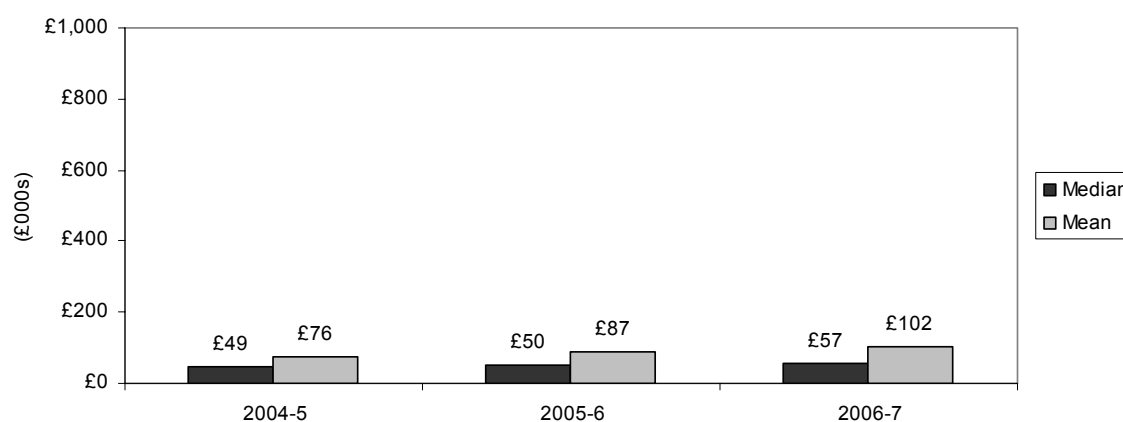
**Figure 8.18 – FTE staff working mainly on alumni relations in year for HEIs by status**

HEIs	HEIs with and without Oxford and Cambridge		Survey status		Establishment of fundraising	
			Included in last survey	New to this survey	Before 1996	1996-2002
	With	Without				
Mean	5.4	3.9	6.7	1.2	7.8	3.0
Median	3.0	3.0	3.9	1.0	4.0	2.0
<i>Number of institutions</i>	58	56	44	14	29	29

## 8.6 Cost of alumni magazine

The selected participating HEIs spent a total of £5.7 million on alumni magazines in 2006-7. HEIs' expenditure on alumni magazines rose slightly over the three years covered by the survey, from a median value of £49,000 in 2004-5 to £57,000 in 2006-7 (Figure 8.19). The mean values rose from £76,000 to £102,000 over the same period. However, it is important to note that a high proportion of the cost of alumni magazines will be comprised of postage costs and therefore will vary by the number of addressable alumni an institution has and the number of editions of the magazine that are produced each year (generally institutions produce a magazine twice a year). This may be supported by the strong correlation observed between alumni magazine costs and the number of addressable alumni reported in this survey.

**Figure 8.19 – Cost of alumni magazine in year for HEIs (average of three years)**



*Number of HEIs: 56*

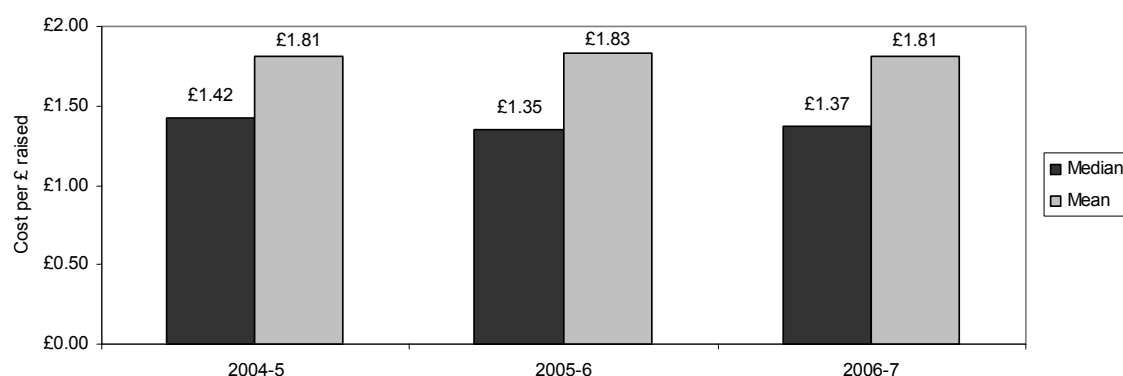
**Figure 8.20 – Cost of alumni magazine in year by status (average of three years, £000s)**

HEIs	HEIs with and without Oxford and Cambridge		Survey status		Establishment of fundraising	
			Included in last survey	New to this survey	Before 1996	1996-2002
	With	Without				
Mean	87	77	111	15	122	54
Median	59	57	81	9	85	36
<i>Number of institutions</i>	57	56	43	14	28	29

The mean cost of alumni magazines per addressable alumni was £1.81 for HEIs in 2006-7, this has been stable over the last three years (Figure 8.21). HEIs with longer-established fundraising

programmes tended to have a higher mean cost per alumni (£1.93) than those established between 1996 and 2002 (£1.73, Figure 8.22). However, this measure does not take into account the number of magazine editions in the year and therefore this difference may reflect the more magazines being sent each year by institutions with longer running programmes. It should also be borne in mind that some institutions may send alumni magazines electronically rather than in hard copy.

**Figure 8.21 – Cost of alumni magazine per addressable alumni in last three years for HEIs**



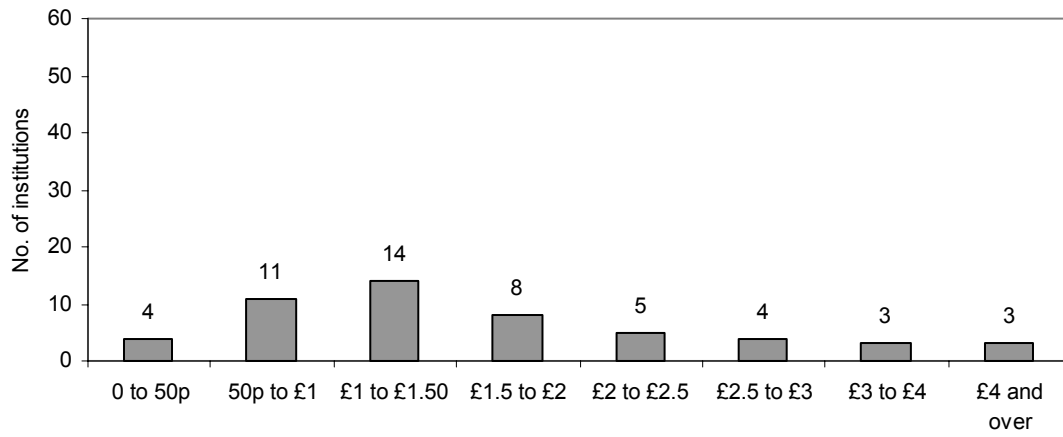
Number of HEIs: 51

**Figure 8.22 – Cost of alumni magazine per addressable alumni for HEIs (average of three years)**

HEIs	HEIs with and without Oxford and Cambridge		Survey status		Establishment of fundraising	
	With	Without	Included in last survey	New to this survey	Before 1996	1996-2002
Mean	1.83	1.79	1.74	2.26	1.93	1.73
Median	1.35	1.35	1.34	2.6	1.44	1.26
Number of institutions	52	51	43	9	25	27

There was considerable variation in the cost of alumni magazines per addressable alumni among the selected HEIs, ranging from approximately 30p to £9.30 (Figure 8.23). About a fifth (21%) of institutions had a cost per alumni of between 50p and £1 whilst just over a quarter (27%) had a cost of between £1 and £1.50 per alumni.

**Figure 8.23 – Cost of alumni magazine per addressable alumni for HEIs (average of three years)**



*Number of HEIs: 51*





# Appendix A Reporting Rules

## ROSS–CASE SURVEY ANNUAL SURVEY OF GIFTS AND COSTS OF VOLUNTARY GIVING TO HE IN THE UK

### Reporting Rules for questionnaire completion

Developed by the Ross Group of Development Directors

Revised January 2008

#### 1 Introduction

- 1.1 Most universities in the UK have been actively fundraising for the past decade or more, with Development Offices now well established in many universities to direct the corporate fundraising effort of the institution.
- 1.2 However, there is a wide range of ways in which these achievements are reported, both in terms of funds raised or pledged and the costs associated with the fundraising endeavours. This is not surprising, given the variations in the responsibilities of Development Offices and fundraising staff.
- 1.3 The aim of the Ross–CASE survey is to define and collect standard measures of philanthropic support to universities and HE institutions. It aims to ensure consistency in the reporting of fundraising activity between UK institutions.
- 1.4 All those completing this survey are required to adopt these Rules in order to define the philanthropic health of their institution within the HE sector.
- 1.5 The survey aims to measure the philanthropic health of the *whole* institution, not merely the performance of fundraising staff. This will therefore involve cooperation between the Development Director (or equivalent appointment) and the Finance Director in using these Rules to assess what funding, from that coming into all parts of the institution, is classified as philanthropic, according to these Rules. It will also require the setting up of adequate systems to recognise and record all these gifts.
- 1.6 There is a need to move towards an increasingly rigorous reporting regime in preparation for the eventual requirements of the government matched-funding scheme. However, the priority of the survey is to obtain a complete return for each institution, so, if you are uncertain about whether particular items should be included, please use your best judgement rather than give no answer.
- 1.7 In order to ensure consistency in reporting, NatCen will contact some institutions once their returns have been received, in order to check particular details.

## 2 Identifying philanthropic funds

2.1 Philanthropic funds indicate the capability of the institution to attract donations on the basis of its academic reputation and network of support. Some of the funds that are raised in some Development Offices are not philanthropic in nature (e.g. public funding, corporate sponsorship, contractual income). Although these funds may be reported internally, they are ineligible for this survey.

2.2 Funds raised as gifts or donations can only be counted within this survey as philanthropic funds if they meet **both** of the following two criteria:

a) The source of the funds is eligible (see 2.3 to 2.5).

**and:**

b) The nature of the gift meets the survey's definition of philanthropic intent (see 2.6 onwards).

*Both* of these criteria must be fulfilled for funds to be counted as philanthropic.

### *Eligible sources of philanthropic funds*

2.3 Sources which are eligible to be counted as philanthropic funds are the following:

2.3.1 Gifts from personal donors, in the UK and overseas, of cash and other instruments of wealth, including shares, appreciated securities, bonds (see 3.6 below) etc. Gifts-in-kind of physical items (property, art, equipment etc.) in-year can be included in funds received (survey question 5) only – see 3.7 below.

2.3.2 Actual legacy income received in-year from deceased individuals. *Legacy pledges from living donors are excluded from any part of the survey.*

2.3.3 Donations from charitable trusts and foundations in the UK and overseas. Such organisations are usually identifiable from their stated aims of charitable giving.

2.3.4 Grants made by affiliated support foundations such as North American 501(c)(3) organisations and similar organisations in other countries. The value of the grant received in-year from the foundation should be counted, rather than the value of individual gifts made to the foundation.

2.3.5 Gifts from companies in the UK and overseas. Gifts-in-kind can be included under 'funds raised' only (see 2.3.1 above and 3.7 below).

2.3.6 Gifts from overseas governments or their agencies and foundations.

2.3.7 Income from the National Lottery and similar sources (e.g. Heritage Lottery Fund, Sport England etc).

2.3.8 Funding through the Land Fill Scheme.

2.4 Note that qualifying as an eligible source as above is not enough to determine eligibility of funds as philanthropic, as the gift must also be made with *philanthropic intent* (see below).

#### *Ineligible sources of philanthropic funds*

2.5 Sources which are ineligible to be counted as philanthropic funds include:

2.5.1 All funding from HM Government and its agencies, including HEFCE and the research councils.

2.5.2 Royalties and other funds generated by the exploitation of the University's intellectual property rights.

2.5.3 Internal transfers within the institution.

#### *Definition of philanthropic intent*

2.6 Giving to an institution with philanthropic intent is defined as all giving which does not confer full or partial ownership of a deliverable on the funder in return for the funding. The gift must be owned in full by the receiving institution once it is received.

2.7 Philanthropic funds can take the form of funding for buildings and land, staff appointments, equipment and other assets, scholarships and bursaries, endowment of lectures and other academic activities, core funding of academic activities, and in some circumstances funding of research programmes. (NB See exclusions below and examples in Appendix A).

2.8 Some companies, trusts or individuals approach a single institution about a potential gift, or invite specific institutions to apply for grants; this has no bearing on the philanthropic nature of the grant, and any grants gained on that basis should be included in the survey if they meet the other conditions for philanthropic intent.

2.9 The donor often requests an accounting of the use of funds and of results of the programmes or projects undertaken. Any such requirement from the donor for regular status reports or other reports does not negate the philanthropic nature of a specific grant, so grants with reporting requirements are still eligible if they meet the other conditions.

#### *Exclusions from philanthropic intent*

2.10 A donation is not regarded as having philanthropic intent, and therefore becomes ineligible for inclusion in the survey, if any form of contract exists between the two parties which commits the recipient institution to provide an economic benefit for compensation, where the agreement is binding and creates a quid pro quo relationship between the recipient institution and the donor. *Contract income, including income for clinical trials, is ineligible.*

- 2.11 Grants where no formal quid pro quo contract is in place may also be ineligible for the survey irrespective of the charitable nature of the granting organisation, if *any* of the following apply:
- 2.11.1 The donor expects to receive exclusive information, or other privileged access to data or results emerging from the programme of activity.
- 2.11.2 Consultancy for the donor or a linked organisation is included as part of the agreement.
- 2.11.3 The agreement assigns to the donor any full or partial rights to intellectual property which may result from the programme of activity.
- 2.11.4 Any other direct financial benefits are required by the donor as a condition of the donation (e.g. discounted courses, training etc.).
- 2.11.5 Cases where the donor retains control over operational decisions relating to the use of funds once the gift has been made. This includes control over appointment and selection procedures to academic posts and student scholarships. (For detailed rules and examples on donor control of gifts see Appendix B). Note that this clause has nothing to do with a donor's right to know that a gift will be used for a designated purpose, where applicable, which is entirely consistent with a philanthropic gift.
- 2.12 There may also be other circumstances where tangible benefits mean that a donation cannot be regarded as having philanthropic intent.
- 2.13 The above exclusions dictate that contract research income is excluded from the survey, and the vast majority of commercial sponsorship is also likely to be excluded.
- 2.14 Funding for broader research programmes will need to be considered on a case-by-case basis (see examples relating to the eligibility of research programme funding in Appendix A).

### **3 Reporting funds raised and cash received**

- 3.1 This section provides guidance on how to count and report on funds raised and cash received for the purposes of the survey.

#### *Funds raised and cash received totals*

- 3.2 The survey distinguishes between the total amount of philanthropic funds raised in-year and cash actually received.
- 3.3 Funds raised (survey question 5) means new cash and confirmed (non-legacy) pledges (see 3.8) raised in year but excludes pledged payments from past years. Cash received therefore constitutes part, but not all, of funds raised.

- 3.4 Cash received (survey question 6.1) may not be counted within the funds raised figure if it comes from funds secured in previous years from confirmed pledges etc.
- 3.5 The tax recoverable on any philanthropic donation should be included in reported totals, so that totals are grossed up to include Gift Aid etc.
- 3.6 Gifts of shares, appreciated securities or bonds (which can be included under both 'funds raised' and 'cash income' as appropriate) should be valued at the documented value provided by the receiving institution's brokers on the day that they are received, *not* as the income ultimately received as and when they are sold.
- 3.7 The value of gifts-in-kind should only be reported under funds raised. Cash proceeds from the sale of gifts-in-kind cannot be included under 'cash income' at any stage, whether that income relates to gifts-in-kind received and sold in-year, or from the sale of gifts-in-kind received in any previous year. The value to be included under 'funds received' for gifts-in-kind is difficult to establish precisely, but should be based, ideally, on an external expert view on the value of the gift. Gifts-in-kind for services rendered (e.g. consultancy, discounted/free room hire) are excluded entirely from the survey.

#### *Reporting pledges in funds raised*

- 3.8 Only *documented, confirmed pledges* should be reported in the survey as funds raised. These are standing orders, direct debit mandates, documented gift agreements or other signed documentation from the donor which confirm the size of the donation and a timetable for transfer of funds.
- 3.9 The value of up to the *first five years' duration* of confirmed pledges should be counted within funds raised, including the year in which the pledge is received.
- 3.10 Oral pledges should not be included in the survey.
- 3.11 As stated in 2.3.2, legacy pledges from living donors are excluded from the survey.
- 3.12 Thus, for the avoidance of doubt, any unspecified or undocumented pledges should not be included in the survey.

#### *Matched-funding eligible cash income*

- 3.13 The 2006-7 survey introduces a new reporting category, matched-funding eligible cash income. Although this is not formally required for matched-funding purposes until the survey for the year 2008-9, we are asking all institutions, whether or not they are in fact eligible or planning to apply for the scheme, to complete this section. For English institutions, this will allow comparisons at the aggregate level in future years, to assess the effect of the scheme on giving to the HE sector.
- 3.14 Matched-funding eligible cash income is equivalent to philanthropic cash income, except for the following *exclusions* of cash income from four sources:

3.14.1 legacy gifts i.e. legacy income received in-year from deceased individuals

3.14.2 lottery grants

3.14.3 funds from foreign governments (grants and gifts)

3.14.4 gifts from major trusts and foundations, defined as those who give away, in total, over £60 million annually. The major trusts and foundations to *exclude* are:

*UK trusts and foundations*

- Arts Council England
- Wellcome Trust
- Co-operative Action

*International trusts and foundations (all in the US)*

- Gates Foundation
- Ford Foundation
- Lilly Endowment
- Robert Wood Johnson Foundation
- William and Flora Hewlett Foundation
- W.K. Kellogg Foundation
- Gordon and Betty Moore
- Jewish Communal Foundation
- Andrew W. Mellon Foundation
- John T. and Catherine McArthur Foundation
- Annie E Casey Foundation
- Walton Family Foundation
- David and Lucile Packard Foundation
- Pew Memorial Foundation
- Kresge Foundation
- United Jewish Appeal

Gifts from any other UK and international trusts and foundations should be *included*, including grant income from 501(c)(3) registered foundations in North America.

#### **4 Fundraising expenditure**

4.1 The measurement of fundraising expenditure should, for comparison purposes, only include the direct costs involved in fundraising (development) activities.

4.2 Philanthropic expenditure therefore includes only the direct fundraising costs which are the responsibility of the Development Director, or the equivalent appointment.

- 4.3 Philanthropic expenditure excludes the indirect costs associated with philanthropic support for the institution, such as the costs of academic staff and administrative staff not identified in 4.2 above, and the costs associated with the recruitment of students or the promotion of the research activities of the institution.
- 4.4 An appropriate proportion of the costs of staff with a joint focus on fundraising and alumni relations should be attributed to philanthropic expenditure. Table 4.1 shows how the costs of typical development and alumni staffing positions should be included.

**Table 4.1: Allocation of Development and Alumni Staff Costs for purposes of survey**

<b>Role</b>	<b>Fundraising</b>	<b>Alumni Relations</b>
Director of Development	100%	
Development/Gift Officers	100%	
Annual Fund Staff	100%	
Prospect Researcher	100%	
Trusts Officer	100%	
Legacy Officer	100%	
PA/Secretary for Director/Gift Officers	100%	
Alumni Officer (if fundraising in job description)	50%	50%
Head of Operations/Development Services	50%	50%
Head of Data	50%	50%
Data in-putters	50%	50%
Alumni Officer (no fundraising in job description)		100%
Magazine/Communications Officer		100%
PA/Secretary for Alumni Office		100%
Alumni Reunions/Event Officer		100%

## **5 Worked example**

- 5.1 This section provides a worked example to illustrate the principles for reporting philanthropic support as set out in these Rules. A selection of typical sources of philanthropic support has been drawn up for the fictitious University of X, and information provided showing under which headings specific values should be recorded.
- 5.2 During the financial year (1 August to 31 July) the University of X received a selection of cash gifts, confirmed pledges, legacies and gifts in kind (all totals grossed up to include Gift Aid etc.). These are described in Table 5.1 along with an indication of how they should be reported (or not) at key survey questions.

**Table 5.1: Worked example**

Description of support	£000s				
	Q5 Funds secured	Q6 Cash income	Q7 Matched- funding eligible cash	Q8 Gifts in kind	Q11 Annual Fund
A Several one-off gifts from trusts and large donors totalling £150,000. All have been received. Of these, £40,000 came from a major trust which donates over £60 million annually.	150	150	110	-	-
B Several confirmed pledges from trusts and other large donors totalling £245,000. These have not yet been received but will come in over the next five years.	245	-	-	-	-
C A gift from a non-major trust of £200,000 in four equal instalments, of which the first £50,000 has been received.	200	50	50	-	-
D The final £5,000 instalment of a £20,000 non-major trust gift made over four years.	-	5	5	-	-
E A gift of a painting received within the year, valued at £15,000, which was immediately sold	15	-	-	15	-
F A gift in kind of computer equipment valued at £20,000, not yet sold	20	-	-	20	-
G A historic book given six years ago was sold within the year for £600	-	-	-	-	-
H Five alumni have written to say that they have each left £8,000 in their wills. <i>This type of legacy pledge cannot be recorded in the survey.</i>	-	-	-	-	-
I Two alumni have died leaving legacy gifts totalling £92,000. These have gone through probate but no cheques have yet been received.	92	-	-	-	-
J One alumna has died and the will has gone through probate. A total of £140,000 is due to the university and £70,000 has so far been received	140	70	-	-	-
K The final instalment of a legacy of £100,000 has been received, worth £25,000. The previous instalments were received last year.	-	25	-	-	-
L Two hundred donors have made one-off Annual Fund cash gifts (cheque / credit cards) – all received – worth £55,500	55.5	55.5	55.5	-	55.5
M One hundred Annual Fund donors have taken out open-ended standing orders of £1000/p.a. and the first instalments worth £100,000 have been received. <i>As the standing orders have been set up, a further four years of instalments, worth £400,000, can be recorded as confirmed pledges</i>	500	100	100	-	100
N £66,000 has been received from previous Annual Fund standing orders set up in previous years	-	66	66	-	66
O In your telephone campaign, 25 alumni made oral	-	-	-	-	-



pledges totalling £20,000 over four years, but no paper work has been received. *These oral pledges cannot be recorded anywhere on the questionnaire.*

<b>Totals to be reported at each question</b>	<b>1417.5</b>	<b>521.5</b>	<b>386.5</b>	<b>35.0</b>	<b>221.5</b>
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**Appendix A Examples of research programme funding that are eligible or ineligible as philanthropic funds for the survey**

	<b>Example scenario</b>	<b>Whether funds are eligible or ineligible as philanthropic funds</b>
<b>A</b>	An individual donor agrees to fund a research fellowship and a PhD studentship for five years in lung cancer research, and the University offers to name the positions in memory of her husband. The gift agreement is clear that all resulting research outputs, including any intellectual property rights which emanate from the research of the funded positions or their team, will remain the property of the University.	<b>ELIGIBLE</b>
<b>B</b>	A company endows a Professorship in sustainable engineering. The Chair is named after the company, but the company does not expect private access to privileged or commercially valuable data or information, or private consultancy or training, or other form of direct financial benefit. The company asks for representation on the appointment panel, which the University accepts on the clear understanding that the appointment rests with the University and will follow the University's appointment procedures.	<b>ELIGIBLE</b>
<b>C</b>	A charitable trust funds a professorship and a research associate for ten years to work in a specific field of regenerative medicine. The gift agreement states that all findings will be in the public domain. The agreement includes a clause stating that if intellectual property with commercial value emanates from the research programme, the rights to this will be split 50/50 between the University and the charity. All other clauses in the gift agreement are entirely compatible with the definitions of philanthropic intent in this survey.	<b>INELIGIBLE</b> (the intellectual property clause represents a potential financial benefit to the charity).
<b>D</b>	A company funds the full costs of a senior lecturer for five years as part of a private research contract being funded by the company.	<b>INELIGIBLE</b> (funding for research contracts is ineligible).
<b>E</b>	Many of the major trusts fund both research contracts through their funding programmes, as well as making philanthropic donations to institutions for staff appointments and for buildings and equipment. The Wellcome Trust is a good example of this dual situation.	Research contract funding from the Wellcome Trust is <b>INELIGIBLE</b> BUT Support from the Wellcome Trust, for example, for buildings and/or laboratories and/or equipment, where the institution owns the new building or laboratory, is <b>ELIGIBLE</b> .

## **Appendix B Rules and examples relating to donor control of funds**

The definition of philanthropic funds confirms that the recipient institution must retain complete ownership of any resultant work or product. This dictates that an individual, charitable trust or corporate donor may not retain any explicit or implicit control over a gift after acceptance by the institution.

A donor can make a restricted gift to a department or area to which the recipient institution should apply the contribution, and has the right to expect that restriction to be honoured. Both parties may wish to engage in discussion of shared aims as a part of a programme of activity funded by the donor, and recipient institutions also often wish to involve donors informally in the activity they are funding as part of good stewardship. However, certain forms of donor involvement or influence undermine the recipient institution's control over the gift. Specifically, donor control over candidate selection precludes the counting of a gift within the survey.

The appointment process for donor-funded student scholarship recipients or staff appointments must remain under the control of the recipient institution.

### **Example A**

A donor establishes a scholarship fund but requires that (s)he be able to select the recipient. This cannot be counted as a philanthropic gift. The selection of the student must rest with the recipient institution, which may nonetheless choose to involve the donor at an appropriate level in the student selection process. But if the donor has a majority or a casting vote, or the power of veto in that process, the funding must not be counted as a gift.

### **Example B**

A donor makes a restricted contribution to a professorship while requiring the institution to award a professorship to a specified individual. This cannot be counted as a philanthropic gift. Similar guidelines would need to be in place as for Example A above.

# Appendix B Rules relating to the inclusion or exclusion of corporate gifts and sponsorship

## ROSS–CASE SURVEY ANNUAL SURVEY OF GIFTS AND COSTS OF VOLUNTARY GIVING TO HE IN THE UK

### Rules relating to the inclusion or exclusion of corporate gifts and sponsorship

January 2008

#### Company gifts that can be included

The Ross group survey follows HMRC's definitions in terms of the eligibility of corporate gifts/sponsorship as donations. These can be counted 'provided they are freely given and secure nothing in return for the donor'. Some forms of acknowledgement and/or insignificant benefit can be offered in return for gifts. HMRC advises that these include:

- giving a flag or sticker;
- naming the donor in a list of supporters in a programme or on a notice;
- naming a building or university chair after the donor; or
- putting the donor's name on the back of a seat in a theatre

(source: HMRC Reference: Notice 701/41)

#### Company sponsorship that must be excluded

Similarly, the Ross Group survey follows HMRC's definitions for corporate sponsorship, which must be **excluded** from the survey. This applies 'if, in return, you are obliged to provide the sponsor with a significant benefit'. HMRC advise that this might include any of the following:

- naming an event after the sponsor;
- displaying the sponsor's company logo or trading name;
- participating in the sponsors promotional or advertising activities;
- allowing the sponsor to use your name or logo;
- giving free or reduced price tickets;
- allowing access to special events such as premieres or gala evenings;
- providing entertainment or hospitality facilities; or
- giving the sponsor exclusive or priority booking rights.

HMRC adds the following note: 'This list is not exhaustive and there are many other situations in which your sponsor may be receiving tangible benefits. What matters is that the agreement or understanding you have with your sponsor requires you to do something in return.' (source: HMRC Reference: Notice 701/41).

# Appendix C List of Institutions responding to the survey

## Participating Institutions

\*indicates institution has not participated in any previous Ross survey,

# indicates institution has participated in a previous Ross survey, excluding in the 2005-6 survey

## Higher Education Institutions

Anglia Ruskin University\*  
Aston University  
Birkbeck College, University of London  
Birmingham City University\*  
Bishop Grosseteste University College\*  
Bournemouth University  
Brunel University  
Canterbury Christ Church University\*  
Chester\*  
City University  
Courtauld Institute of Art\*  
Coventry University  
Cranfield University, School of Management  
De Montfort University  
Durham University  
Edge Hill University\*  
Glasgow Caledonian University\*  
Goldsmiths, University of London  
Guildhall School of Music & Drama  
Harpers Adams University College\*  
Heriot-Watt University\*  
Imperial College London  
Institute of Historical Research\*  
Institute of Education, University of London  
King's College London  
Kingston University  
Lancaster University  
Leeds College of Music\*  
Leeds Metropolitan University  
Liverpool Hope University  
Liverpool John Moores University\*  
London Business School  
London Metropolitan University#  
London School of Economics and Political Science  
London South Bank University  
Loughborough University  
Manchester Metropolitan University\*  
Middlesex University  
Newcastle University  
Newman University College\*

Northumbria University\*  
Nottingham Trent University  
Open University  
Oxford Brookes University  
Queen Mary, University of London\*  
Queen's University Belfast  
Ravensbourne College of Design and Communication  
Roehampton University  
Royal Agricultural College\*  
Royal College of Art\*  
Royal Holloway, University of London  
Royal Northern College of Music  
Royal Veterinary College\*  
School of Advanced Study, University of London\*  
School of Oriental and African Studies (SOAS)  
Sheffield Hallam University  
St Mary's University College, Twickenham\*  
Swansea University  
Thames Valley University\*  
The Arts Institute at Bournemouth Charitable Foundation\*  
The Glasgow School of Art\*  
The Institute of Cancer Research\*  
The Robert Gordon University  
The Royal Academy of Music  
The School of Pharmacy, University of London\*  
The University of Huddersfield  
The University of Hull  
The University of Leeds  
The University of Northampton  
The University of Sheffield  
Trinity Laban Conservatoire of Music and Dance\*  
UCL  
UHI Millennium Institute\*  
University College Birmingham\*  
University College Falmouth\*  
University College for the Creative Arts at Canterbury, Epsom, Farnham, Maidstone & Rochester\*  
University of Aberdeen Development Trust  
University of Abertay#  
University of Bath  
University of Bedfordshire  
University of Birmingham  
University of Bradford\*  
University of Brighton  
University of Bristol  
University of Cambridge  
University of Central Lancashire  
University of Chichester\*  
University of Derby\*  
University of Dundee\*  
University of East Anglia  
University of East London#

University of Edinburgh  
University of Essex  
University Of Exeter  
University of Glamorgan\*  
University of Glasgow  
University of Gloucestershire  
University of Greenwich  
University of Hertfordshire  
University of Kent  
University of Lincoln#  
University of Liverpool  
University of Manchester  
University of Nottingham  
University of Oxford  
University of Plymouth  
University of Portsmouth\*  
University of Reading  
University of St Andrews  
University of Salford  
University of Southampton  
University of Stirling  
University of Strathclyde  
University of Sunderland  
University of Surrey  
University of Sussex  
University of Teesside\*  
University of The Arts London#  
University of Wales Institute, Cardiff (UWIC)\*  
University of Wales, Newport\*  
University of Warwick  
University of Westminster  
University of Winchester  
University of Wolverhampton\*  
University of Worcester\*  
University of York  
Writtle College\*  
York St John University

**FE Institutions\***

Barking College  
Blackburn College  
Bradford College  
Havering College of FHE  
Kingston College  
Lakes College West Cumbria  
Lincoln College  
Macclesfield College  
Nescot College  
Newbury College  
North Warwickshire & Hinckley College

Park Lane College Leeds

Stockport college

Swindon College

Walsall College

Warwickshire College