

Office of the President

TO MEMBERS OF THE COMMITTEE ON EDUCATIONAL POLICY:

DISCUSSION ITEM

For Meeting of March 29, 2012

ANNUAL REPORT ON PRIVATE SUPPORT

EXECUTIVE SUMMARY

Senior Vice President Dooley will provide a brief overview of philanthropy at the University of California for the most recent year.

BACKGROUND

This item provides an overview of philanthropic support to the University of California as summarized in the Annual Report on University Private Support. The Regents previously received the report, which can be viewed online at <http://www.ucop.edu/instadv/documents/2011.pdf>. The report shows that the University of California received nearly \$1.6 billion in private support during the period of July 1, 2010 to June 30, 2011, the eleventh consecutive year in which the University has received more than \$1 billion in private support. This amount is an increase of approximately 20 percent, or \$250 million, over the prior fiscal year, and is providing critical support to the University as it fulfills its mission of teaching, research, and public service. The report further shows the gifts and private grants are provided by a wide spectrum of donors, including alumni, parents, friends, corporations, and foundations. In aggregate, there are approximately 250,000 different donors supporting the University's mission.

Philanthropic support is directed towards virtually every aspect of the life and mission of the University, including research, endowed faculty chairs, departmental support, capital projects, and student support. These are all areas in which donors have recognized the value that UC provides, and have directed their gifts in support of these University activities. Funding for all of these areas has remained strong, despite the significant economic challenges impacting the philanthropic community.

Private support remains strong from all sectors: corporations, foundations, alumni, friends, parents, faculty, and staff all participate in supporting the activities of the University. Many of the individual campus reports note the record number of donors that supported particular campuses this past year. If added together, there would be over a quarter of a million donors contributing annually to the betterment of UC.

The vast majority of donors have an affinity with a particular campus, and the UC Campus Foundations are instrumental in raising support for their particular campus. Reflecting this fact, giving via the Campus Foundations was greater than giving directly to the University for the first time ever this past year. Consistent with prior years, the Annual Report includes gifts and grants made directly to the University (“Regents”), as well as support that flows through the Campus Foundations. Regardless of whether the gift came directly to the University or to a Campus Foundation, the gift is ultimately expended by the University - as gifts to a UC Campus Foundation and payout from a Campus Foundation endowment are distributed to the University for expenditure.

The support for endowed chairs continues to provide a mechanism for UC to ensure faculty excellence. An endowed chair honors and recognizes the distinction of superior faculty while providing invaluable financial support to the University, and enabling philanthropists the opportunity to provide support to a field of academic endeavor that is of particular interest to them. In this past year, UC added another 69 chairs, bringing the total to more than 1,500 chairs – over half of which have been established since 2000. Giving to other endowed funds was also strong this past year, as UC received more than \$400 million in new gifts for endowment – assuring a strong financial footing for future generations. At the end of the fiscal year, the total UC endowment exceeded \$10 billion.

Philanthropic support for scholarships and fellowships was slightly more than \$121 million this past fiscal year. While this is an increase over the prior year’s amount of \$103 million, the need for student support has never been greater. Accordingly, campuses are increasing efforts to broaden the base of scholarship donors through matching gifts and student-sponsored events.

The Annual Report on Private Support seeks to provide an overview of philanthropic activity at the University. While it is virtually impossible to capture the full impact of a quarter of a million donors, the brief campus narratives highlight how specific gifts are making a difference in the lives of UC students. Whether a multi-million-dollar gift for cutting edge research, a gift designed to encourage small gifts from graduating seniors and young alumni, transformative gifts to provide ongoing endowment support for a School or College, social media campaigns to raise scholarship funds to honor a fellow alum, or gifts to endow Arts & Lectures series – every gift is helping UC continue its mission of research, teaching, and public service.

At a time when UC is facing significant budgetary pressures, the strong level of private support reflects the confidence that the philanthropic community has in the University. This support, through gifts of all sizes, reflects the understanding that there is no greater return on one’s philanthropic investment than a gift to UC. As such, the University is grateful to its alumni and friends for their support – and for recognizing the many ways in which the University is serving the people of California.