

# Giving to Excellence: Generating Philanthropic Support for UK Higher Education

## Ross-CASE Report 2013-14



Findings from data collected in the Ross-CASE Survey 2013-14

Authors: Julia Griggs, Stephen Sharman and Svetlana Speight (NatCen) and Yashraj Jain (CASE)

Prepared for: CASE Europe

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NatCen Social Research  
35 Northampton Square  
London EC1V 0AX  
T 020 7250 1866  
[www.natcen.ac.uk](http://www.natcen.ac.uk)

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# Commentary by the Editorial Board

## Introduction

This is the second year in which the survey has been conducted online and with the more detailed questions that were first asked last year. As with last year's survey our intention has been to make the data accessible to participating institutions and at a level of granularity that will be helpful to them as they benchmark their performance against comparable institutions.

The Editorial Board are grateful to NatCen who carried out the survey, their partner Matrix, and also to staff at CASE, in Washington and London, who for the first time assisted in carrying out the analysis of the results.

The first Ross-CASE Survey was carried out in 2002 and has been repeated annually since then. The Ross Group provided professional guidance and leadership on the survey as it developed and grew to become a well-established tool for describing and evaluating the importance of fundraising in UK higher education institutions. But that success makes it appropriate for responsibility for the survey to be taken by the sector as a whole. From the summer of 2014 CASE Europe has been responsible for the survey's management. We are pleased that the survey will continue to be supported by Higher Education Funding Council for England (HEFCE) until 2016, however it is vital that the sector begins to plan for the survey's future after that date and finds a sustainable model for financing it for the long term.

This summary report focuses on the key headline figures for the sector as a whole and provides a guide to some of the underlying trends and variations in performance. We hope that the general reader and observers of higher education will find it helpful. But we would stress that the survey is primarily designed for its participants to use in their day to day work and that the full richness of the data that is collected can only be accessed through the online benchmarking tools.

## Scope of the survey

The total number of UK HE institutions participating this year has fallen from 136 in 2012-13 to 124 in the current survey. This is disappointing; particularly in England where 14 fewer institutions completed the survey satisfactorily. It was good to see that, in contrast, the number of Scottish institutions participating rose slightly. In addition 2 universities from the Republic of Ireland and 2 from the Netherlands also participated. Although their data is excluded from this summary report we are pleased that they find participating in the survey helpful and hope that under CASE Europe management this international group will grow to include other CASE members within the EU. Of those who responded, data from 2 UK universities was only partially complete and could not be used in the analysis of the findings presented in this report. We should also note that because of the very low participation in previous years further education colleges in the UK were not invited to participate this year.

For the purposes of the survey, philanthropic support is usually reported in two ways:

- Cash income received in a year includes new single cash gifts and cash payments received against pledges secured in previous years.

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- New funds secured in a year comprises both new single cash gifts and the full value (up to 5 years) of confirmed new pledges (but excludes any cash payments against pledges secured in previous years). It is often regarded as the best measure of the success of a fundraising programme in any particular year since it captures pledges that will typically be paid up over an agreed period of time (this is very characteristic of larger gifts, in particular)

## Overview

- Despite the fall in the number of universities participating in the survey, total new funds secured rose significantly to £807 million. When we look at those universities that have provided comparable historic data we see that their new funds secured rose by 21% over the past twelve months. This is welcome news as in 2012-13 new funds secured had declined; it means that new funds secured have now surpassed the previous high, recorded in 2011/12.
- Total cash income received rose more slowly to £657 million. For those universities where we have comparable historic data the rise was just over 1%. This may seem surprising, given the much faster growth over the past twelve months in new funds secured, but may reflect the fact that, particularly for those universities that raise 7 and 8-figure gifts, cash receipts tend to lag the pledges that are included in new funds secured as major donors often fulfil their pledges over several years. It should also be noted that new funds secured declined in the previous year 2012-13 and this may also be an important influence on the slow growth of cash received this year.
- The total number of alumni making donations has again grown and has reached 183,000. On a comparable basis growth of almost 10% is commendable and reflects the effort that HE is putting into building life-time relationships with alumni, and proactively and successfully asking them for their support using a variety of methods (including emerging channels such as crowd-funding platforms). However, although it is good news overall for the sector that the total number of contactable alumni is also growing (to a new high of 9.5million), this does mean that the overall proportion of alumni supporting their university is static at just under 2%. Although there are universities who are doing much better than this, participation remains a great challenge, and a great opportunity, for the sector as a whole.
- Amongst the 122 institutions that reported on their fundraising results there is considerable variation in performance. For new funds secured Oxford and Cambridge accounted for around 41% (as compared to 51% in 2012-13) of the total and the rest of the Russell Group accounted for 38% (as compared to 30% in 2012-13). For cash received there were similar concentrations of performance with Oxford, Cambridge and the rest of the Russell Group also accounting for 78% of the total.
- Overall, 53 institutions raised £1m or more in new funds secured and cash income received. On a comparable basis over the past 3 years the number of institutions that raised £1m or more in new funds increased from 47 in 2011-12 to 49 in 2013-14. A key feature in this group was the substantial increase in the number of institutions raising £10m or more (9 in 2012-13 to 16 in 2013-14).
- Gifts were not only sourced from alumni. UK universities received gifts from just over 250,000 donors in 2013-14, an all-time high. This year's data shows that 44% of the value of gifts came from individuals and 56% from organisations. For gifts that came from individuals, two thirds came from alumni. For gifts from organisations just over two thirds came from trusts and foundations. Comparing this year's returns with those from last year (the first year that this information was collected) shows that whilst the split between individuals and organisations was

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much the same in 2013-14, alumni accounted for a larger proportion of individual gifts than in the previous year. For gifts from organisations, trusts and foundations also increased their share. In contrast corporate donations fell as a proportion of the gifts received from companies (down from 29% to 20%). However we will need further data in future years to ascertain whether there are trends emerging in these patterns and we would note that the division between sources may be swung in any particular year by a small number of very large gifts.

- Universities have increasingly recognised that they have to invest in order to grow philanthropic income. Total fundraising cost in 2013-14 reached £83 million with £59 million in staff fundraising costs and £24 million in non-staff fundraising costs. On a comparable basis fundraising costs were 12% higher in 2013-14 than in 2012-13. This suggests a renewed confidence in the value of philanthropic income and a realistic view of the investment required to win it. In addition to fundraising costs, UK universities invested more than £33 million in alumni relations (excluding the cost of alumni magazines) and £6.9 million on production and distribution of alumni magazines (non-staff costs only).

## Variations in performance

As in the previous two years we have focussed the more detailed analysis of variations in performance using the statistical technique of latent class analysis (LCA). Whilst a helpful tool when comparing performance between groups of institutions in any one year any comparison between years needs to be treated with caution (as the composition of the groups identified by LCA changes over time).

- The LCA for 2013-14 identified 5 groups of universities with similar characteristics as last year:
  - Fragile programmes (6 institutions): where philanthropic income is low and less than the costs of generating it
  - Emerging programmes (69 institutions): which make a positive return on fundraising but still at low levels and with relatively small numbers of donors
  - Moderate programmes (30 institutions): with substantially higher numbers of staff and philanthropic income and usually rather better returns per £ spent.
  - Established programmes (15 institutions): with substantial philanthropic income higher numbers of staff and even better returns on cash spent on fundraising.
  - Elite programmes (Oxford and Cambridge): these two universities accounted for just under half of philanthropic income generated by the sector in 2013-14, and both enjoy far larger numbers of donors both in absolute terms and as an alumni participation rate. They are also supported by a very substantial investment in fundraising.
- The patterns that emerge from the LCA are similar to last year. They again confirm the benefits of achieving scale in fundraising with the top two performing groups achieving much better returns on fundraising costs than the other groups. The improved performance in moving from group 1 to group 5 is based in part on the progressively increased success in persuading alumni to donate (for Oxford and Cambridge 16% of alumni support their university as opposed to only 1% for the Moderate group and 0.04% in the Fragile group); and secondly on the progressively much higher value of the 'largest' gift received by the Moderate, Established and Elite groups
- Excluding Oxford and Cambridge, the Russell Group participants in the survey are divided equally between the Moderate and Established groups. The distribution of other mission groups and unaligned universities is shown in the summary report but is spread across all 4 groups other than the Elite group. It is notable that 5

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universities in the Established fundraising group (i.e. the best performing group other than Oxford and Cambridge) are not members of the Russell Group and come from a broad range of institution types.

- Whilst the fundraising programmes for the Elite group and 14 of the 15 institutions in the Established group were started before 2004 the relationship between the length of the fundraising programme and success is less clear-cut when the other, worse performing, groups are examined. 20% of the Fragile programmes, 49% of the Emerging programmes and 90% of the Moderate programmes were started before 2004 but appear to be struggling to create sufficient momentum to lift them into a better performing group. This feature, which we also observed last year, is of continuing concern. Whilst the situation in each institution would need to be examined in detail it does suggest that a commitment to fundraising needs to be backed by clear strategic and investment plans to build scale effectively and to sustain fundraising effort over the long term. The richness of the data available to participants in this survey will enable them to re-examine their performance in relation to others and help to identify those barriers that are preventing progressive improvement over time.

## Conclusion

This year's survey has demonstrated that fund-raising is well established in UK higher education and the growth in new funds secured and in the number of donors, (both alumni and others) recorded by the survey this year suggests that it is in robust health, overall. However, as the detailed analysis of the survey shows there are many challenges remaining; the significant variation in performance between individual institutions and the difficulty that the sector has in raising alumni participation rates beyond the current low level, are two notable examples. We hope that this annual survey with the wealth of benchmarking data that it now provides to participants will help individual institutions grapple with these challenges so that the important educational and research outcomes that philanthropy makes possible can continue to grow across all types of universities in the future.



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# 1 Introduction

## 1.1 CASE and the Ross Group

The Council for Advancement and Support of Education (CASE) is a professional not-for-profit association serving educational institutions and the advancement professionals who work on their behalf in alumni relations, communications, development, marketing and allied areas. The Ross Group Development Directors' Forum is an independent support group of senior development directors involved in fundraising for higher education. Members come from higher education institutions across England, Scotland, Northern Ireland and the Republic of Ireland; membership is by invitation of the group. The Ross Group has helped fund the Ross-CASE Survey over a number of years and works closely with CASE to develop and promote the survey. The 2013-14 survey is the first to be run without formal representation from the Ross Group. Since summer 2014, CASE Europe has taken on the project management of the survey and other than in providing partial funding and in name; the Ross Group now has no formal role.

## 1.2 About the survey

This report presents findings from the Ross-CASE Survey 2013-14. The survey was conducted by NatCen Social Research for CASE. The survey is currently funded by HEFCE, CASE, and the Ross Group.

The first Ross-CASE Survey was carried out in 2002 (building on previous surveys undertaken within the Ross Group); it has been repeated annually since then. The methodology of the survey changed substantially in 2012-13, differentiating it from its predecessors.

The survey was offered online for the first time in 2012-13, and following a review, which included scoping interviews with key stakeholders and development directors, it was enhanced. The redeveloped survey included new and more detailed questions, which provided additional information to help institutions benchmark and improve their development performance. All data, including the new questions, are available to participating UK institutions who have signed a confidential data sharing agreement<sup>1</sup> thereby electing to join the data sharing dataset. Alongside this, new guidance was developed in association with those who complete the survey.

Finally, the new online reporting tool was developed by Matrix<sup>2</sup> to allow institutions easier reporting and benchmarking on key metrics, and improved access to data to allow tracking of performance and benchmarking over a longer period of time.

The 2013-14 survey uses the same enhanced instrument as in 2012-13. As in 2012-13, this survey report remains largely unchanged from its predecessors – focusing on key metrics and grouping together institutions with similar fundraising performance.

In total 124 institutions participated in the 2013-14 survey. This represented a decline in response, compared with the 136 institutions who took part in 2012-13. Data from 2

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<sup>1</sup> This can be found at <https://www.rosscasesurvey.org.uk/>

<sup>2</sup> <http://www.matrixknowledge.com/>

participants has been excluded from this report as they were only partially completed. Additionally 4 universities from rest of Europe also participated but their data is excluded from this UK report. The submitted data was checked by NatCen Social Research both online as part of the survey and through separate procedures. Analysis for chapter 2 was carried out by NatCen using SPSS version 21. Chapter 3 was analysed by CASE using Latent Gold v 5.0. A detailed description of the survey methodology and analysis can be found in Appendices A and C, and the rules for reporting can be found on the [Ross-CASE Survey website](#).

## 1.2.1 Who responded to the survey?

The response rate to the Ross-CASE Survey among English higher education institutions dropped to 77% in 2013-14, 9 percentage points lower than in 2012-13 (when it stood at 86%). Recent developments in Welsh higher education policy have been towards having fewer universities in Wales. For the past decade, Welsh higher education policy has encouraged university mergers. The number of universities in Wales has reduced from 14 in 2004, to 12 in 2010, to 10 in 2013, and now to 9 in total. The response rate in Wales also dropped slightly from 70% in 2012-13 to 63%. The response rate among Scottish and Northern Irish HEIs rose for a second year to a 3 year peak of 86%.

Table 1.1 Response rates by UK country 2011-12 to 2013-14 <sup>3</sup>			
<i>Ross-CASE Survey 2013-14</i>			
Number	2011-12	2012-13	2013-14
<u>English higher education institutions</u>			
Invited to participate	135	132	131
Number participating <sup>4</sup>	117	113	101
Response rate	87%	86%	77%
<u>Welsh higher education institutions</u>			
Invited to participate	10	10	8
Number participating	7	7	5
Response rate	70%	70%	63%
<u>Scottish and Northern Irish higher education institutions</u>			
Invited to participate	21	22	21
Number participating	11	16	18
Response rate	52%	73%	86%

<sup>3</sup> Four international universities participated in the survey this year, 2 from the Republic of Ireland and 2 from the Netherlands. The information from these submissions has not been included in this report. However, these institutions are included in the data sharing exercise. For further information on data-sharing, please see the Ross-CASE website at <https://www.rosscasesurvey.org.uk>.

<sup>4</sup> Two further HEIs were removed due to incomplete data. Results for these HEIs have not been included in this report.

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Unlike previous survey years, the 2013-14 survey did not invite further education institutions to participate. This followed a very low response from this group in 2012-13.

Information about the number of universities participating by mission group is provided in Appendix B.

## 1.3 Reporting conventions

### 1.3.1 Terms used

In this report where reference is made to *universities*, this term is used to describe higher education institutions (HEIs) taking part in the 2013-14 survey. No further education institutions (FEIs) were included in this year's survey. Unlike previous Ross-CASE reports, findings are presented separately for the total sample of institutions taking part in the 2013-14 survey as well as for those HEIs with data for all 3 most recent survey years (2013-14, 2012-13 and 2011-12).

There have been some changes in the mission groups in recent years. For instance, the 1994 group disbanded in 2013 (but has been included as a mission group for historical reference). We have retained consistent mission groups, reflecting the most recent membership groupings possible: a list of which universities are included in each mission group is shown in Appendix B.

### 1.3.2 Comparisons across years

Where figures from previous years are used, these are derived from the data submitted or confirmed in the 2013-14 Ross-CASE Survey returns. While the 2013-14 Survey only asked for 1 year's worth of data, respondents were also permitted to view and amend figures submitted in the 2012-13 survey for 2012-13 and 2011-12 (included as feed-forward data in the 2013-14 submission). Year-on-year comparisons are only made where comparable data is available.

Some institutions have made improvements to their record keeping over time, and have supplied corrections to returns from previous years. Hence it is believed the historical data supplied in the 2013-14 survey is more accurate than that supplied in previous years. Another key reason for differences in the figures between survey reports is that the list of responding institutions changes between surveys.

Where trend data are presented, reference is sometimes made to a percentage change between 2 figures. These percentage changes have been calculated on the precise figures, rather than the rounded figures used in the report. Hence they may vary slightly from calculations completed using rounded figures.

As mentioned in section 1.3.1 above, trends are presented based only on those HEIs that have participated in all 3 most recent waves of the survey. This has been done so that trends are not affected by any changes in which HEIs took part each year.

### 1.3.3 Reporting percentages

For a few questions results are presented as the proportion of all respondents giving a certain answer. For these questions a zero indicates at least 1 respondent but less than half of 1% of all respondents have submitted an answer. A hyphen indicates that

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no respondents gave that answer or the minimum sub-group size was too small (See below 1.3.4)

### 1.3.4 Minimum sub-group size

NatCen places great importance on protecting the confidentiality of responses from individual institutions. Hence overall aggregate figures have not been presented where the group being analysed comprises fewer than 6 institutions. Likewise, aggregate figures in the cluster analysis have not been presented where the cluster comprises fewer than 3 institutions. An exception to these rules is the Oxbridge group that consists of only 2 universities. These universities have agreed to their data being presented in this manner.

### 1.3.5 Reporting base size (number of institutions)

Not all participating HEIs provided usable responses to every question in the survey. The number of HEIs given in the base in tables and figures refers to the number of HEIs answering a particular question or set of questions, rather than the total number participating in the survey. Where a table or chart brings together responses to a number of different questions, the smallest base size is always reported.

### 1.3.6 Reporting averages

As a result of the large variation in fundraising between universities, mean values for new funds secured are generally much higher than the medians. Therefore, median values are used as our preferred measure throughout the report, although some means are also provided.

## 1.4 Acknowledgements

First and foremost we would like to thank the university staff who gave their time to provide information about the philanthropic income of their institutions.

We are grateful to the HEFCE for funding this study and for providing us with a list of UK HEIs and to the Ross Group for their financial contribution.

For the report of the findings of the 2013-14 survey, a dedicated Editorial Board was appointed that worked with NatCen on the Ross-CASE report.

Members of the current Board are:

- Peter Agar, Former Campaigns Adviser, University of Sheffield
- Andy Cooper, Head of Development Services, University of Sheffield
- Chris Cox, Director of Development, University of Manchester
- Tania Jane Rawlinson, Director of Development, University of Cardiff
- Fran Shepherd, Vice President International Development, University of Glasgow
- Carolee Summers-Sparks, Deputy Director (Interim Executive Director to 5th May 2015).

The board is supported by CASE research staff, Judith Kroll, Senior Director of Research, Andrew Paradise, Senior Research Specialist and Yashraj Jain, Research Manager.

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Kate Hunter, former Executive Director of CASE Europe, was also actively involved in the data collection and initial review. We are very grateful to them all for their guidance and support.

Importantly, this is the first year in which CASE has undertaken the survey's management. The survey will continue to be financially supported by the HEFCE until 2016, with additional contributions from the Ross Group and CASE Europe.

## 2 Sector highlights

This chapter presents the key headline findings and indicators from the 2013-14 Ross-CASE Survey. Philanthropic support is usually reported in two ways:

- **Cash income received** in a year includes new single cash gifts and cash payments received against pledges secured in previous years.
- **New funds secured** in a year comprise both new single cash gifts and the full value (up to 5 years) of new pledges (but excludes any cash payments against pledges secured in previous years).

The key findings are based on cash income received, new funds secured, contactable alumni, donors and investment in fundraising.

Where cross-year comparisons are made, only data from institutions taking part in all survey years are included, hence the slightly lower 2013-14 figures reported in the comparisons (and Table 2.2) compared to the single year data (Table 2.1).

### Figure 2.1 Key findings: 2013-14 and over time

Cash income received by all participating universities totalled £658 million in 2013-14. Using comparable figures, this indicates an increase of about 24% compared with the level of cash income received in 2011-12.

New funds secured by universities totalled £807 million in 2013-14.

While this figure has fluctuated, it does represent a small increase of about 6% compared with 2011-12, among the institutions taking part in the last 3 surveys. The 2013-14 total exceeded the previous highest comparable total of £753 million in 2011-12.

The median cash income for all participating institutions in 2013-2014 was £691,000. Looking at comparable figures over time, there has been a sizable increase of about 25% across the 3-year period.

The number of contactable alumni continued to rise in 2013-14 with 9.5 million in total. Comparable figures show an increase of 15% between 2011-12 and 2013-14.

The number of alumni making donations to universities in 2013-14 was 183,204. Across survey years 2011-12 and 2013-14, this figure has also increased steadily by 14%.

Total donors rose to an all-time high of 251,256 in 2013-14. This represents a considerable (and steady) increase since of 25% since 2011-12.

Median fundraising costs per pound received was 25p in 2013-14, the lowest rate reported. Comparisons over time show that costs per pound had fallen by approximately 17% since 2012-13 and 30% since 2011-12.

There were 1,284 FTE fundraising staff in the sector in 2013-14. Trend data indicates that this is about 13% larger than it was in 2011-2012.

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## 2.1 Key indicators

The headline indicators from the 2013-14 Ross-CASE Survey are presented in Tables 2.1 and 2.2. Please note that all data has been taken from the 2013-14 survey, which allowed participants to change submissions for the previous 2 years. This means that figures from last year's Ross-CASE report may vary slightly from those reported here for the previous years. The figures presented here are considered to be the most accurate. Differences also reflect the smaller number of participating institutions, and changes to the way data are reported (see Section 1.3).

The first table (2.1) presents data for all institutions taking part in the 2013-14 survey. The second table (2.2) includes data for all institutions who submitted cash income or new funds data for **all** 3 most recent survey years. As stated in the 'Sector Highlights' section, above, it is important to remember that the smaller number of HEIs included in the comparisons over time (Table 2.2) mean that figures for 2013-14 differ across the two 'key indicator' tables.

<b>Table 2.1 Key indicators 2013-14</b>	
<i>All HEIs taking part in the Ross-CASE Survey 2013-14</i>	
	<b>2013-14</b>
<u>All HEIs</u>	
<b>£000s</b>	
Cash income received	657,669
Mean - cash income received	5,391
Median - cash income received	691
<i>Base</i>	<i>122</i>
New funds secured	806,658
Mean - new funds secured	6,836
Median - new funds secured	739
<i>Base</i>	<i>118</i>
<b>Numbers</b>	
Contactable alumni	9,546,981
Mean - contactable alumni	81,598
Median - contactable alumni	76,259
<i>Base</i>	<i>117</i>
Alumni making donations	183,204
Mean - alumni making donations	1,745
Median - alumni making donations	360
<i>Base</i>	<i>105</i>
All donors	251,256
Mean - donors	2,224
Median - donors	506
<i>Base</i>	<i>113</i>
<b>For HEIs starting their fundraising programmes pre-2010 only</b>	
<b>£000s</b>	
Total fundraising cost	83,167
Mean - fundraising cost	857
Median - fundraising cost	357
Median - cost per pound received	25p
<i>Base</i>	<i>97</i>
<b>Number</b>	
Fundraising staff	1,284
<i>Base</i>	<i>108</i>



**Table 2.2 Key indicators over time: 2011-12 to 2013-14**

*Only includes HEIs taking part in each of the 3 years of the Ross-CASE Survey*

<b>£000s</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>
<u>All HEIs</u>			
Cash income received	519,369	636,670	643,031
Mean - cash income received	4,994	6,122	6,124
Median - cash income received	614	725	765
<i>Base</i>	<i>104</i>	<i>104</i>	<i>105</i>
New funds secured	752,545	656,693	795,188
Mean - new funds secured	7,167	6,314	7,646
Median - new funds secured	853	844	917
<i>Base</i>	<i>105</i>	<i>104</i>	<i>104</i>
<b>Number</b>			
Contactable alumni	7,501,759	7,872,715	8,617,591
Mean - contactable alumni	72,833	78,727	85,323
Median - contactable alumni	63,925	70,514	77,021
<i>Base</i>	<i>103</i>	<i>100</i>	<i>101</i>
Alumni making donations	158,628	163,898	180,222
Mean - alumni making donations	1,555	1,782	1,917
Median - alumni making donations	333	414	533
<i>Base</i>	<i>102</i>	<i>92</i>	<i>94</i>
All donors	197,250	210,429	246,643
Mean - donors	1,915	2,043	2,466
Median - donors	480	529	612
<i>Base</i>	<i>103</i>	<i>103</i>	<i>100</i>
<b>£000s</b>			
<u>For HEIs starting fundraising programmes pre-2010 only</u>			
Total fundraising cost	72,225	71,705	80,364
Mean - fundraising cost	794	824	957
Median - fundraising cost	380	332	422
Median - cost per pound received	36p	31p	26p
<i>Base</i>	<i>85</i>	<i>79</i>	<i>84</i>
<b>Number</b>			
Fundraising staff	1,083	1,106	1,226
<i>Base</i>	<i>91</i>	<i>90</i>	<i>93</i>

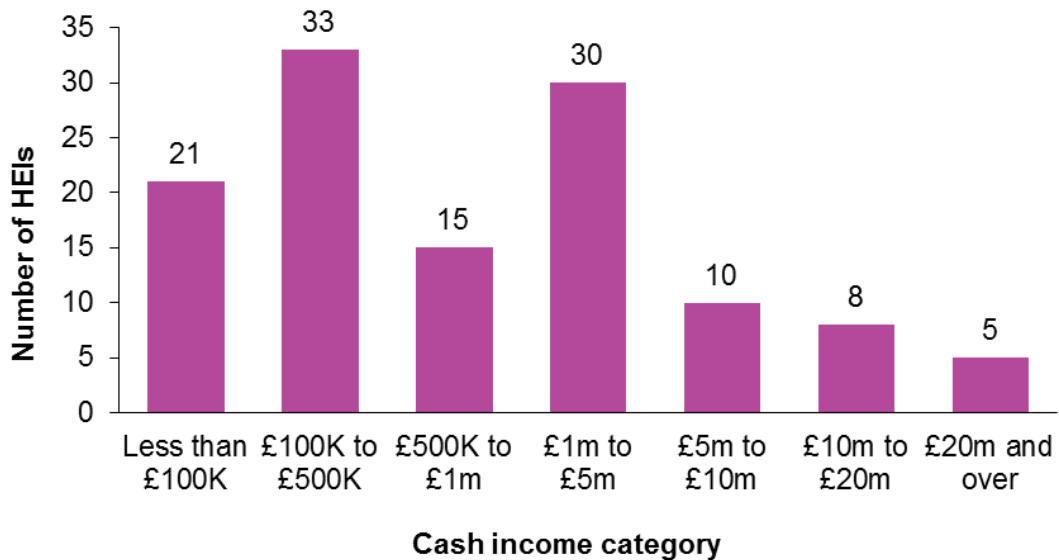
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## 2.2 University fundraising performance 2013-14

- Cash income received for all HEIs participating in the 2013-14 survey stood at a total of £658 million in 2013-14. The mean cash income received per institution was £5.4 million, and the median cash income received was £691,000.
- New funds secured totaled £807 million in 2013-14. The mean value per institution of new funds secured was £6.8 million and the median value of £739,000.
- For most survey measures in 2013-14 there was a very large variation in fundraising between universities, as in previous years. Very high figures continued to be reported by the largest and most established universities. For example, Oxford and Cambridge accounted for 40% of new funds secured in 2013-14, and the Russell Group excluding Oxbridge – 38%. Corresponding figures for total cash income received stood at 46% for Oxbridge and 32% for the Russell Group.
- The variation is further illustrated by Figures 2.2 and 2.3, which show the distribution of cash income received and new funds secured in 2013-14. Five universities received more than £20 million in cash income and 53 more than £1 million.
- The picture is similar for new funds secured with 8 universities securing more than £20 million in new funds.

**Figure 2.2 Cash income received by participating UK universities in 2013-14**

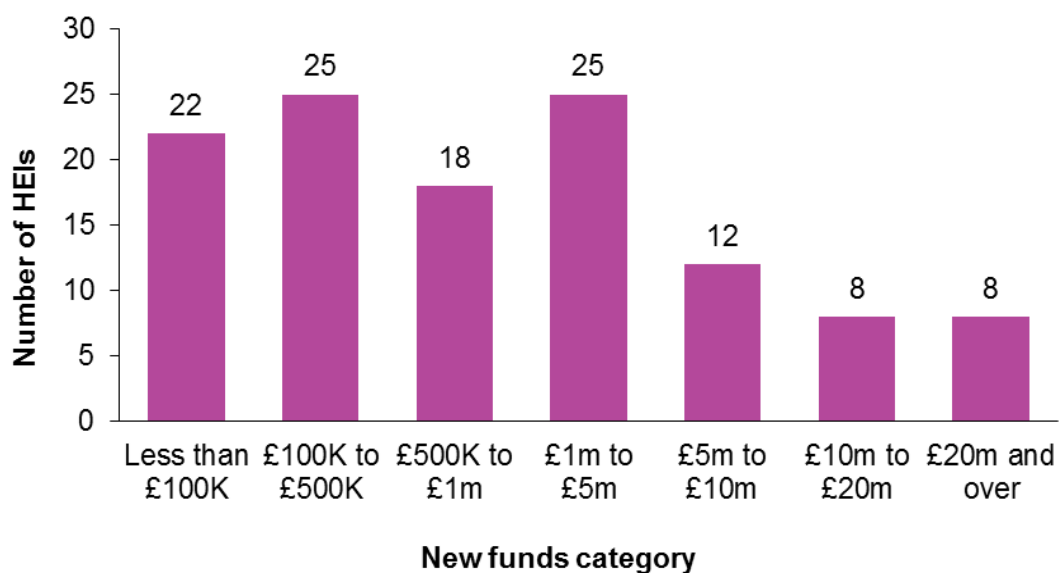
*Base: All HEIs who took part in the 2013-14 survey*



*Number of HEIs: 122*

**Figure 2.3 New funds secured by participating UK universities in 2013-14**

*Base: All HEIs who took part in the 2013-14 survey*



*Number of HEIs: 118*

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## 2.3 University fundraising performance 2011-12 to 2013-14

To look at trends over time, the following figures are based only on HEIs that have participated in all 3 most recent surveys i.e. 2011-12, 2012-13 and 2013-14. For this reason, the figures cited here (and in Table 2.2) differ from those in Table 2.1, which are based on all HEIs that took part in the 2013-14 survey. In terms of change of over time:

- Cash income received has increased by 24% since 2011-12. The majority of this increase occurred between 2011-12 and 2012-13 (23%). UK universities participating in all 3 survey years received more than £643 million in cash income in 2013-14, up from £637 million in 2012-13 and £519 million in 2011-12.
- Mean and median values for cash income followed this same trend – increasing over the 3-year period to peak at £6.1 million and £765,000 respectively in 2013-14.
- The proportion of participating HEIs receiving more than £10 million in cash income increased from 8% in 2011-12 to 13% in 2013-14. Correspondingly the proportion of HEIs receiving less than £500,000 fell from 48% to 41% over the same time period.
- UK universities participating in all 3 survey years secured £795 million in new funds in 2013-14, a 21% increase from the £657 million secured in 2012-13. Total new funds therefore show an upturn, exceeding figures for the previous 2 years. (The value for new funds secured is the sum of all new pledges, new cash gifts and gifts-in-kind, and a commonly used figure in counting campaign totals.)
- Mean and median values for new funds secured replicated this pattern – the mean increasing from a 3-year low of £6.3 million in 2012-13 to peak at £7.6 million in 2013-14, the median rose from £844,000 to £917,000.
- Participating HEIs receiving more than £10 million in new funds secured increased from 9% in 2012-13 to 16% in 2013-14. The proportion receiving less than £500,000 also declined between 2012-13 and 2013-14, from 44% to 38%.
- The Universities of Oxford and Cambridge accounted for 41% of the total new funds secured by participating UK universities in 2013-14. This share has decreased since 2012-13 when it stood at 51%. The Russell Group (excluding Oxbridge) accounted for 38% of total new funds secured, increasing from 30% in 2012-13.

Over the 3-year period between 2011-12 and 2013-14, the shares of total new funds secured by the former 1994 Group increased from 4% in 2011-12, and 2012-13 to 6% in 2013-14. Over the same time period figures for the Million+ Group (under 1% across all 3 years) and the University Alliance (2% in 2011-12 and 1% in 2012-13 and 2013-14) all remained fairly stable. Those HEIs not formally part of a mission group increased their share of new funds secured from 9% in 2011-12, to 14% in 2012-13 and stood at 15% in 2013-14.

## 2.4 Alumni and donor numbers 2013-14

- In total, UK universities taking part in the 2013-14 survey had just over 9.5 million contactable alumni.
- Of these 9.5 million contactable alumni, more than 183,000 made a donation.

- The mean proportion of contactable alumni making a gift in 2013-14 was 2%. Just 6 universities reported receiving donations from more than 5% of their alumni.
- Mean numbers of contactable alumni and contactable alumni making a gift were generally higher than the median values. The Russell Group, including Oxbridge, made up 37% of total contactable alumni and 73% of the total contactable alumni making a gift in 2013-14.
- The total number of all donors who gave to participating universities was approximately 251,000 in 2013-14.

## 2.5 Alumni and donor numbers 2011-12 to 2013-14

Looking at trends over time:

- The number of contactable alumni increased from 7.5 to 8.6 million between 2011-2012 and 2013-14, a growth of around 15%. Alumni numbers grow in 2 distinct ways: through new graduates and through universities working to identify 'lost' alumni (i.e. those who were not in contact with the institution).
- The number of alumni making a donation increased from 159,000 in 2011-12 to 180,000 in 2013-14, an increase of approximately 14%.
- The total number of all donors who gave to universities stood at just under 247,000 in 2013-14; an increase of 25% since 2011-12.

## 2.6 University fundraising and alumni relations costs in 2013-14

- The costs in fundraising figures exclude universities that started their development or fundraising programme less than 4 years ago (after 2010), or did not have a programme at the time of the survey. Including these universities would give a misleading picture of the efficiency of their fundraising, as the first few years of a fundraising programme can be unpredictable and there can be a considerable period before significant benefits are forthcoming. Therefore, this section is based on the responses of the universities with pre-2010 programmes. However, it is important to note that these figures will still include a number of universities that have relatively new fundraising programmes.
- In total, just over £83 million was invested in fundraising in 2013-14. 75% (£59 million) was accounted for by staffing costs with the remainder spent on non-staff costs.
- In 2013-14 participating UK universities invested more than £33 million in alumni relations (excluding the cost of alumni magazines). A further £6.9 million was spent on the production and distribution of alumni magazines (non-staff costs only).

## 2.7 University fundraising and alumni relations costs in 2011-12 to 2013-14

Looking at trends over time:

- Fundraising costs by participating UK universities increased by 12% between 2012-13 and 2013-14.

- The median value of universities' fundraising costs per pound received in 2013-14 was 26 pence, a decrease from the median costs in 2012-13 (31 pence), and in 2011-12 (36 pence).
- Like total fundraising costs, spending on alumni relations also increased between 2011-12 and 2013-14, from a median of approximately £128,000 to around £180,000. Costs did, however, dip in 2012-13 to approximately £111,000.

## 2.8 University fundraising and alumni relations staffing 2013-14

- As with fundraising costs, the data on fundraising staff also excludes those universities that started their development or fundraising programme less than 4 years before the most recent survey (in 2010 or later) or who did not have a programme at the time of the survey.
- The universities with pre-2010 fundraising programmes employed 1,284 full-time equivalent (FTE) staff who worked mainly on fundraising in 2013-14 and an additional 627 staff who worked mainly on alumni relations.
- A median of 6 FTE staff were employed in fundraising and a median of 3 FTE staff on alumni relations. The range in number of FTE staff working on fundraising and alumni relations varied substantially across universities.

## 2.9 University fundraising and alumni relations staffing 2011-12 to 2013-14

Looking at trends over time:

- The total number of FTE staff employed by universities to work mainly on fundraising increased by 13% between 2011-12 and 2013-14 (from 1,083 to 1,226).
- The total number of staff working primarily on alumni relations also increased over the same period, from 512 to 590 (an increase of 15%).

## 2.10 Mission groups

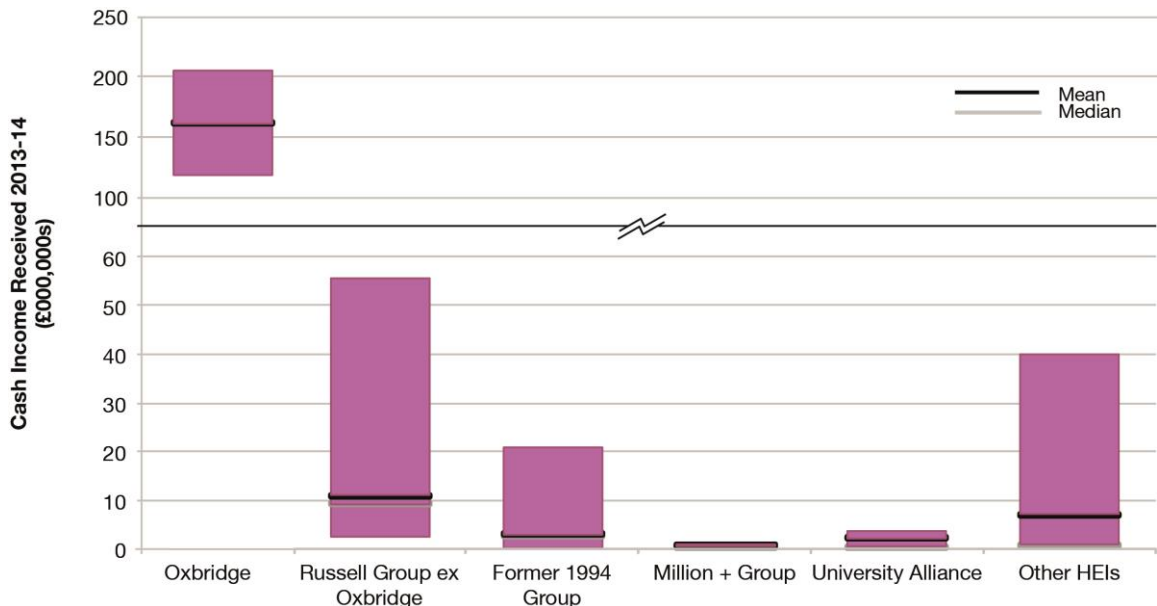
Table 2.3 presents key findings by universities' membership of 1 of 4 'mission groups': the Russell Group, the former 1994 Group,<sup>5</sup> Million+ Group and University Alliance. Figures for Oxford and Cambridge are presented as a separate category 'Oxbridge', and any universities not formally part of a mission group have been grouped together in a sixth category. Each institution falls into 1 category only. A list of mission groups and the key characteristics for each group can be found in Appendix B.

Figure 2.4 shows the gap between the largest and smallest amounts of cash income received by each mission group in 2013-14. Figure 2.5 shows the gap between the largest and smallest amounts of new funds secured by each mission group in 2013-14.

<sup>5</sup> Please note that the 1994 Group has now disbanded. The inclusion of the former 1994 Group is for historical comparisons only.

**Figure 2.4 Range in cash income received by mission group in 2013-14**

*Base: All HEIs who took part in the 2013-14 survey*

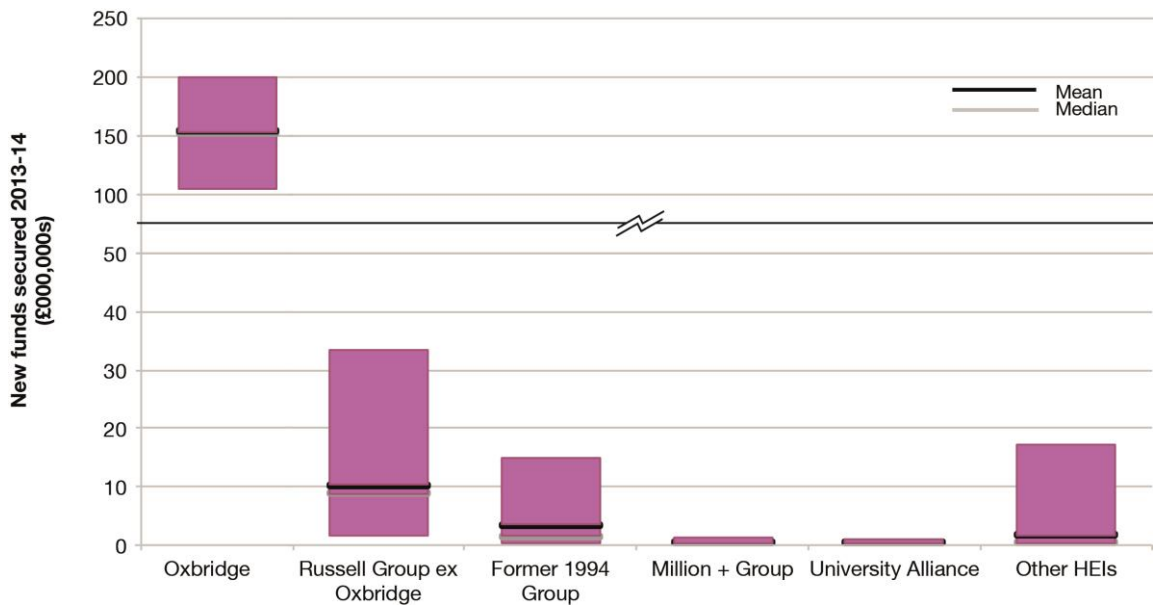


*Number of universities: 118*

*Note: Oxbridge consists of only 2 universities so the mean value is the same as the median.*

**Figure 2.5 Range in new funds secured by mission group in 2013-14**

*Base: All HEIs who took part in the 2013-14 survey*



*Number of universities: 122*

*Note: Oxbridge consists of only 2 universities so the mean value is the same as the median.*

**Table 2.3 Key indicators by mission group**
*Ross-CASE Survey 2013-14*

	Oxbridge	Russell Group (excluding Oxbridge)	Former 1994 Group	Million+ Group	University Alliance	Other universities
<b>Number of universities in each mission group</b>						
<b>£000s</b>						
Cash income received	303,449	212,949	36,724	3,165	6,477	94,905
Mean - cash income received	151,724	10,140	3,339	243	341	1,695
Median - cash income received*	-	8,849	1,451	158	241	461
<i>Number of UK higher education institutions</i>	<i>2</i>	<i>21</i>	<i>11</i>	<i>13</i>	<i>19</i>	<i>56</i>
New funds secured	322,819	303,389	43,949	2,311	7,620	126,569
Mean - new funds secured	161,410	14,447	3,995	193	423	2,344
Median - new funds secured*	-	9,151	2,485	121	266	657
<i>Number of UK higher education institutions</i>	<i>2</i>	<i>21</i>	<i>11</i>	<i>12</i>	<i>18</i>	<i>54</i>
<b>Number</b>						
Contactable alumni	458,619	3,047,880	722,413	827,445	1,708,325	2,782,299
Mean - contactable alumni	229,310	145,137	65,674	75,222	89,912	52,496
Median - contactable alumni*	-	136,220	69,228	81,452	96,816	30,801
<i>Number of UK higher education institutions</i>	<i>2</i>	<i>21</i>	<i>11</i>	<i>11</i>	<i>19</i>	<i>53</i>
Alumni making donations	71,479	62,962	9,968	674	4,075	34,046
Mean - alumni making donations	35,740	2,998	906	61	272	757
Median - alumni making donations*	-	2,437	933	16	151	269



**Table 2.3 Key indicators by mission group**
*Ross-CASE Survey 2013-14*

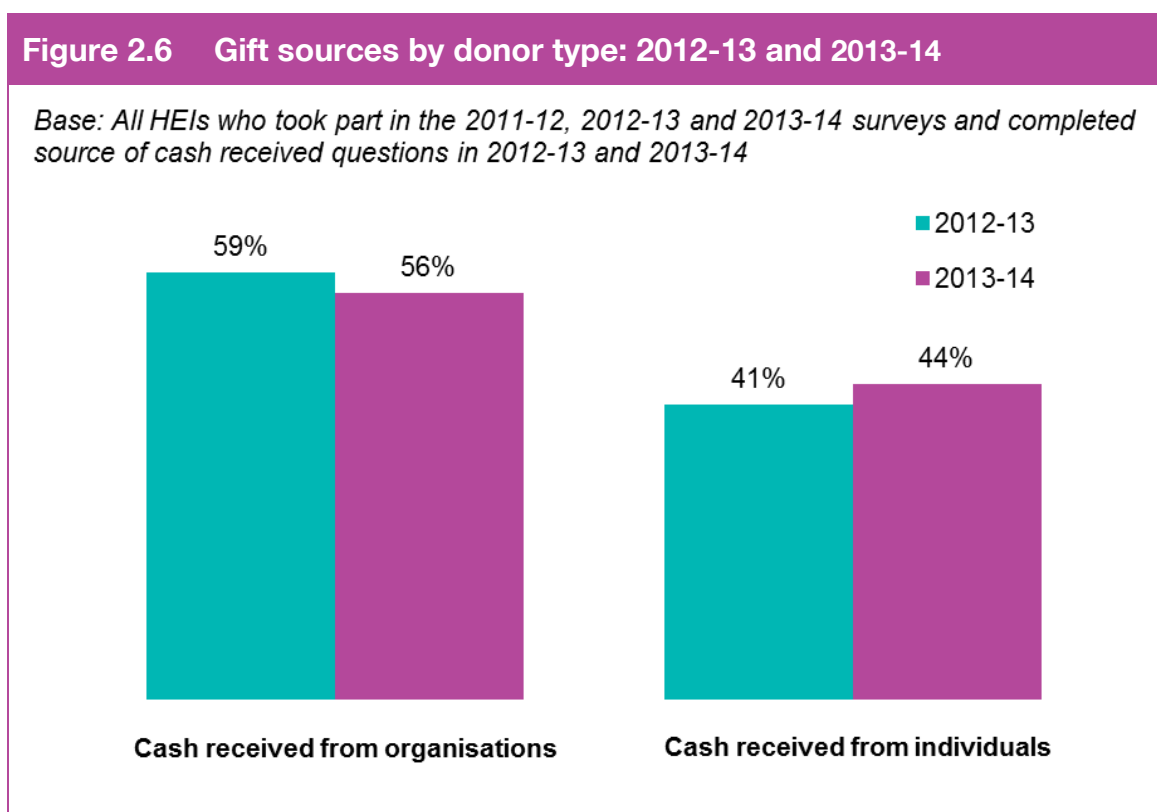
	Oxbridge	Russell Group (excluding Oxbridge)	Former 1994 Group	Million+ Group	University Alliance	Other universities
<i>Number of UK higher education institutions</i>	2	21	11	11	15	45
All donors	104,894	77,707	11,754	1,213	5,295	50,393
Mean - donors	52,447	3,700	1,069	110	311	988
Median - donors*	-	3,355	1,070	34	170	380
<i>Number of UK higher education institutions</i>	2	21	11	11	17	51
<b>£000s</b>						
<u>For HEIs starting fundraising programmes pre-2010 only</u>						
Fundraising cost	28,596	27,719	4,838	1,592	2,933	17,487
Mean - fundraising cost	14,298	1,386	440	199	244	397
Median - fundraising cost*	-	1,164	379	191	256	275
Median - cost per pound received	0.10	0.18	0.24	0.98	0.57	0.23
<i>Number of HEIs starting fundraising programmes pre-2010</i>	2	20	11	8	12	44
<b>Number</b>						
Fundraising staff	366	449	76	27	61	305
Mean - fundraising staff	183	22	7	3	4	6
Median - fundraising staff*	-	22	6	2	3	4
<i>Number of HEIs and FEIs starting fundraising programmes pre-2010</i>	2	20	11	9	16	50

\* Please note that Oxbridge consists of only 2 universities so the mean value is the same as the median.

## 2.11 Gift sources

One of the new topics added to the extended survey in 2012-13 was a detailed breakdown of cash income by its source. Notably, not all universities were able (or elected not) to answer all of the questions included in this section: proportions are therefore recorded alongside the number of universities which responded.

**Figure 2.6** shows the gift sources by donor type in 2012-13 and 2013-14. Overall, universities received slightly more of their cash income from organisations than from individuals. In 2013-14 the distribution stood at 56% and 44% respectively - a less pronounced difference than in 2012-13.

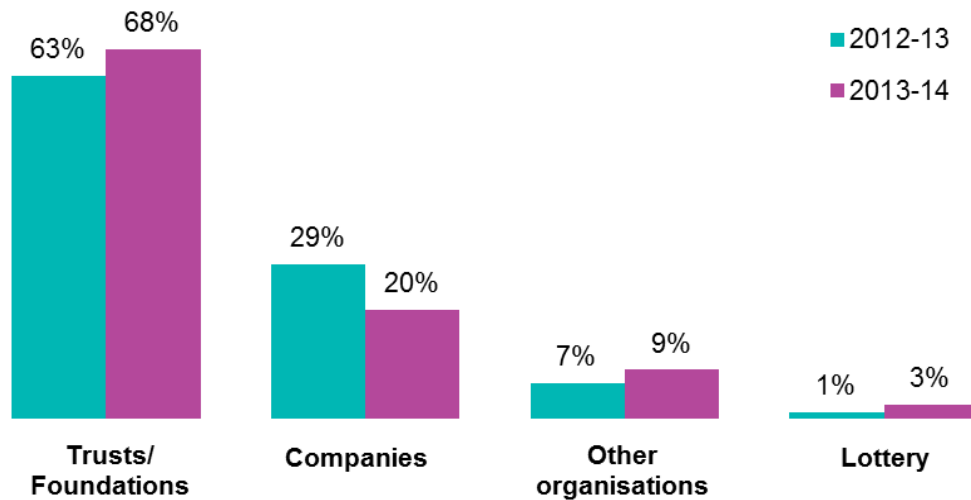


*Number of universities: 92*

Figure 2.7 shows gift sources by type of organisation in 2012-13 and 2013-14. Trusts and foundations were the most common type of organisation to donate. They contributed more than two-thirds (68%) of cash income received from organisations in 2013-14. Companies contributed a fifth of cash income (20%) and cash received from lotteries and other organisations totalled 12% of the amount received from all organisations in 2013-14. The distribution of cash income by gift source changed slightly across the 2 survey years, with a lesser proportion of income coming from companies, and a greater proportion from other gift sources, in 2013-14.

**Figure 2.7 Gift sources by type of organisation in 2012-13 and 2013-14**

*Base: All HEIs who took part in the 2011-12, 2012-13 and 2013-14 surveys and completed source of cash received from organisations questions in 2012-13 and 2013-14*



*Number of universities: 88*

Further information on the types of individuals who donated is provided in Figures 2.8, 2.9 and 2.10.

In 2013-14 two-thirds of cash received from individuals came from alumni (66%), a 7 percentage point increase from 2012-13 figures, when the distribution between cash income from alumni and other individuals was less marked (see Figure 2.8).

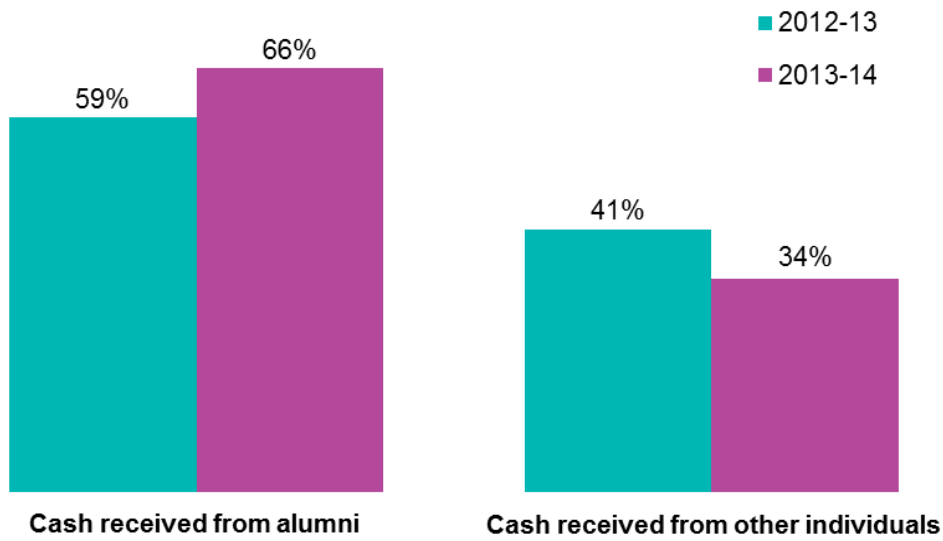
Approximately three-quarters of cash received from alumni in 2013-14 was donated by undergraduate alumni (77%).<sup>6</sup> Postgraduate alumni accounted for 9% of cash received, with donations from other types of alumni making up a further 14%. The distribution shows small differences over time, with postgraduate alumni contributing a larger proportion of cash received in 2012-13 (12%), and other alumni a smaller proportion (10%) (see Figure 2.9).

The majority of cash received from non-alumni in 2013-14 came from individuals who were not staff, parents or grateful patients (84%). The proportion of cash income received from 'other individuals' increased between 2012-13 and 2013-14, while the proportion received from parents fell by 6 percentage points (see Figure 2.10).

<sup>6</sup> More detailed guidance on the definitions of the terms used are presented in the Supporting Document which can be found at <http://www.rosscasesurvey.org.uk/>

**Figure 2.8 Gift sources by type of individual in 2012-13 and 2013-14**

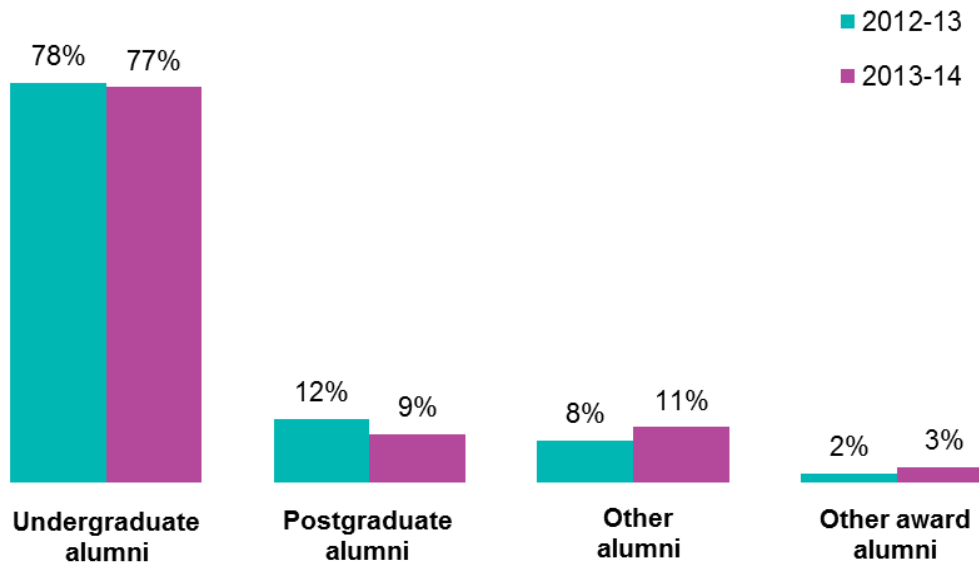
*Base: All HEIs who took part in the 2011-12, 2012-13 and 2013-14 surveys and completed source of cash from individuals questions in 2012-13 and 2013-14*



*Number of universities: 96*

**Figure 2.9 Gift sources by type of alumni in 2012-13 and 2013-14**

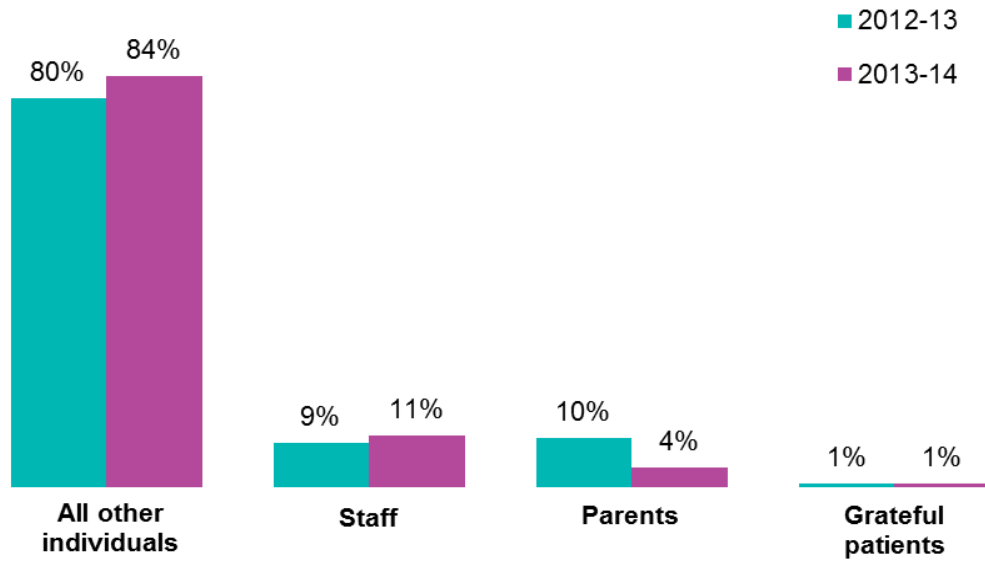
*Base: All HEIs who took part in the 2011-12, 2012-13 and 2013-14 surveys and completed source of cash from alumni questions in 2012-13 and 2013-14*



*Number of universities: 59*

**Figure 2.10 Gift sources by type of non-alumni in 2012-13 and 2013-14**

*Base: All HEIs who took part in the 2011-12, 2012-13 and 2013-14 surveys and completed source of cash from non-alumni questions in 2012-13 and 2013-14*



*Number of universities: 67*

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## 3 Communities of universities

Universities vary widely by their fundraising profile and there is a substantial degree of variation within mission groups. In recent years, membership of the mission groups has not remained static and, in November 2013, we witnessed the disbandment of the 1994 Group. Moreover, a significant number of universities are not affiliated to any mission group. In recognition of this, the Pearce Review<sup>7</sup> proposed a new way of grouping universities, separating out Oxbridge and specialist universities and grouping the others by year of obtaining university status.

Inspired by this, the 2011-12 survey explored the possibility of uncovering 'communities' of universities that have a fundraising profile similar to each other. This analysis was conducted using Latent Class Analysis (LCA). The analysis was repeated in 2012-13 and again this year.

### 3.1 Typology of universities

LCA is a statistical approach used to group individuals or, in this case, universities, into different clusters (or 'communities') according to how they answer a series of questions in the survey. Each cluster brings together universities with the most similar answers to the selected questions.

The questions listed in Figure 3.1 were chosen because they reflect the key characteristics of fundraising activities and also because they vary sufficiently between universities to use as a differentiating factor.

LCA is typically carried out on datasets which represent a large number of cases. However, the size of the Ross-CASE Survey dataset is ultimately restricted by the number of universities available to study. Given the small number of cases available, the number of questions used in the analysis was restricted to the handful that were considered to be the most informative.

The 7 variables used to cluster universities are shown in Figure 3.1. The 3-year averages were used to ensure that the results reflect the overall performance and not small annual fluctuations.

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<sup>7</sup> More Partnership (July 2012). Review of Philanthropy in UK Higher Education: 2012 Status Report and Challenges for the Next Decade. Available at: <http://www.hefce.ac.uk/media/hefce/content/pubs/indirreports/2012/philanthropyinukhe/HEFCE%20Philanthropy%20Report.pdf> (Accessed 27 March 2013)

### Figure 3.1 Questions used to group universities into ‘communities’

Average cash income received over last 3 years

Average new funds secured over last 3 years

Average largest cash gift received, as a percentage of total cash income received over last 3 years

Average number of donors over last 3 years

Average proportion of alumni making a gift over last 3 years

Average fundraising costs per pound received over last 3 years

Average number of fundraising staff over last 3 years (FT equivalent)<sup>8</sup>

The resulting 5 cluster solution offered both the best statistical fit with the data and made substantive sense. This solution did result in a very small class size for 2 clusters (6 and 2 universities), although this was not surprising due to the nature of the study and the small total sample size. However, it should also be noted that the uniqueness of the University of Oxford and the University of Cambridge in terms of fundraising makes the identification of just those universities as a distinct cluster appropriate.

Figure 3.2 presents the key findings of the LCA

### Figure 3.2 Key findings

The LCA revealed 5 different clusters of universities.

Universities fell into the following clusters based on their fundraising performance: cluster 1 (Fragile fundraising programmes); cluster 2 (Emerging fundraising programmes); cluster 3 (Moderate fundraising programmes); cluster 4 (Established fundraising programmes) and cluster 5 (Elite fundraising programmes), which consisted of the University of Oxford and the University of Cambridge.

A clear progression of fundraising performance was evident across the 5 clusters. Cluster 1 (Fragile fundraising programmes) had the poorest level of performance and cluster 5 (Elite fundraising programmes) the best.

Mean new funds secured, mean cash income received, mean largest gifts, the mean proportion of alumni making a gift and the mean number of donors increased across the 5 clusters.

The mean largest cash gift received as a percentage of total cash income received, and the mean fundraising costs per pound received, decreased across the 5 clusters.

<sup>8</sup> The 2011-12 Ross-CASE Survey included average number of gifts over £500,000 over 3 years. This question was removed for the 2013-14 Survey. Therefore, this was replaced with the average number of fundraising staff over the last 3 years to determine whether this had an effect on the communities.

The size of each cluster is presented in Table 3.1 followed by a short description of each cluster.

<b>Table 3.1 Number of universities per cluster</b>	
Ross-CASE Survey 2013-14	
<b>Cluster</b>	<b>Cluster size</b>
Cluster 1: Fragile fundraising programmes	6 (5%)
Cluster 2: Emerging fundraising programmes	69 (57%)
Cluster 3: Moderate fundraising programmes	30 (25%)
Cluster 4: Established fundraising programmes	15 (12%)
Cluster 5: Elite fundraising programmes	2 (2%)
<b>Total</b>	<b>122 (100%)</b>

### 3.1.1 Cluster 1: Fragile fundraising programmes

Universities in this fundraising cluster stood out as being the only cluster that spent more on fundraising activities than they received as funds. The new funds secured and cash income received by these universities were low compared to all other groups. They also had few donors and alumni that made donations. When comparing the mean largest gifts as percentage of income, it is observed that a substantial majority (69%) of their cash income came from their largest gift in 2012-13 but this year the percentage dropped to 47%. In fact the gap for this statistic (i.e. mean largest gift as percentage of cash income) between cluster 1 and cluster 2 was just 5 percentage points for this year as compared to 26 percentage points in 2012-13. This cluster together with cluster 2 also had the lowest number of fundraising staff.

This cluster included 6 universities.

### 3.1.2 Cluster 2: Emerging fundraising programmes

Clusters 2 (Emerging fundraising programmes), 3 (Moderate fundraising programmes) and 4 (Established fundraising programmes) can be seen as forming a continuum with the universities having less developed fundraising programmes falling into cluster 2 and those with a more developed programme into cluster 3 or 4.

The majority of universities fell into cluster 2. The universities in this cluster had a similar return on their fundraising costs compared with cluster 3 but only a minority of the universities in this cluster experienced a loss, unlike the universities in cluster 1. These universities had lower levels of new funds secured and cash income received as compared to cluster 3 in 2012-13, with low value largest gifts in each of the 3 years. These universities also had a small number of donors and only a small proportion of alumni made donations. Their largest gift made up a large proportion of their cash income. These universities had only a small number of staff engaged in fundraising.

This was the largest cluster consisting of 69 universities.



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### 3.1.3 Cluster 3: Moderate fundraising programmes

Cluster 3 had a slightly better ratio of fundraising costs per pound received than cluster 2. These universities had moderate levels of new funds secured and cash income received. These universities had larger gifts, a higher number of donors and a higher number of alumni making donations than cluster 2 (Emerging fundraising programmes). This group had a substantially higher number of staff involved in fundraising than clusters 1 and 2.

Thirty universities belong to this group.

### 3.1.4 Cluster 4: Established fundraising programmes

Cluster 4 consisted of universities that had substantial levels of new funds secured and cash income received. These universities invested little in relation to the amount of money they secured. The universities in this group tended to receive large gifts (in each of the 3 years) and also had a higher number of donors and a higher number of alumni that made donations. A substantial proportion of their cash income came from their largest gift but less so than in cluster 3 (Moderate fundraising programmes). The mean number of staff dedicated to fundraising activities was higher than in clusters 1, 2 and 3, but not as high as in cluster 5.

This cluster consisted of 15 universities.

### 3.1.5 Cluster 5: Elite fundraising programmes

Cluster 5 consisted of 2 universities (the University of Oxford and the University of Cambridge), which had elite fundraising programmes that were performing very well. Universities in this cluster performed significantly better than those in other clusters and represent a step change in fundraising. These universities had a much better ratio of fundraising cost per pound received than cluster 4 (Established fundraising programmes). They had substantial levels of new funds secured and cash income received. They clearly outperformed all other clusters in terms of their overall donor numbers. It is notable that when comparing this cluster to the other 4 clusters, 2 subtly different points hold true: a higher proportion of their donors were alumni, and a higher proportion of their alumni were donors. Each of the 2 Elite universities had the largest number of staff involved in fundraising activities.

## 3.2 Analysis of clusters

This section provides a more detailed analysis of how the clusters differ from each other.

Table 3.2 illustrates the philanthropic income and costs of universities, by clusters. Cluster 1 had the lowest amount of median cash income received (£3760) and median new funds secured (£9,144). Cluster 5 had the highest median cash income received (£152 million) and median new funds secured (£161 million). Cluster 5 had the lowest median cost per pound received (10p) and this figure increased through the lower clusters. Having a low median cost per pound received did not necessarily reflect total fundraising costs. Universities in cluster 5 spent a median of £14 million despite having the lowest median cost per pound received. Conversely, universities in cluster 1 spent the least on fundraising with a median cost of £10,000. Universities in cluster 2 had a median fundraising staff of 3, compared with 10, 23 and 183 (in clusters 3, 4 and 5).

**Table 3.2 Key indicators by cluster**
*Ross-CASE Survey 2013-14*

	<b>Clusters</b>				
	1: Fragile fundraising programmes	2: Emerging fundraising programmes	3: Moderate fundraising programmes	4: Established fundraising programmes	5: Elite fundraising programmes
<b>Number of universities in each cluster</b>	6	69	30	15	2
<b>Key data by cluster in 2013-14</b>					
<b>£000s</b>					
<u>All universities</u>					
Cash income received	99	32,813	129,571	191,737	303,449
Mean - cash income received	17	476	4,319	12,782	151,724
Median - cash income received*	4	281	3,098	10,554	-
New funds secured	736	41,998	145,697	295,408	322,819
Mean - new funds secured	123	646	4,857	19,694	161,410
Median - new funds secured*	9	228	3,636	13,017	-
<b>Number</b>					
Contactable alumni	140,151	4,055,110	2,751,448	2,141,653	458,619
Mean - contactable alumni	23,359	62,386	91,715	152,975	229,310
Median - contactable alumni*	13,640	61,671	96,955	149,132	-
Alumni making donations	56	11,899	40,151	59,619	71,479
Mean - alumni making donations	14	216	1,338	4,259	35,740
Median - alumni making donations*	9	115	1,320	4,055	-

**Table 3.2 Key indicators by cluster**

*Ross-CASE Survey 2013-14*

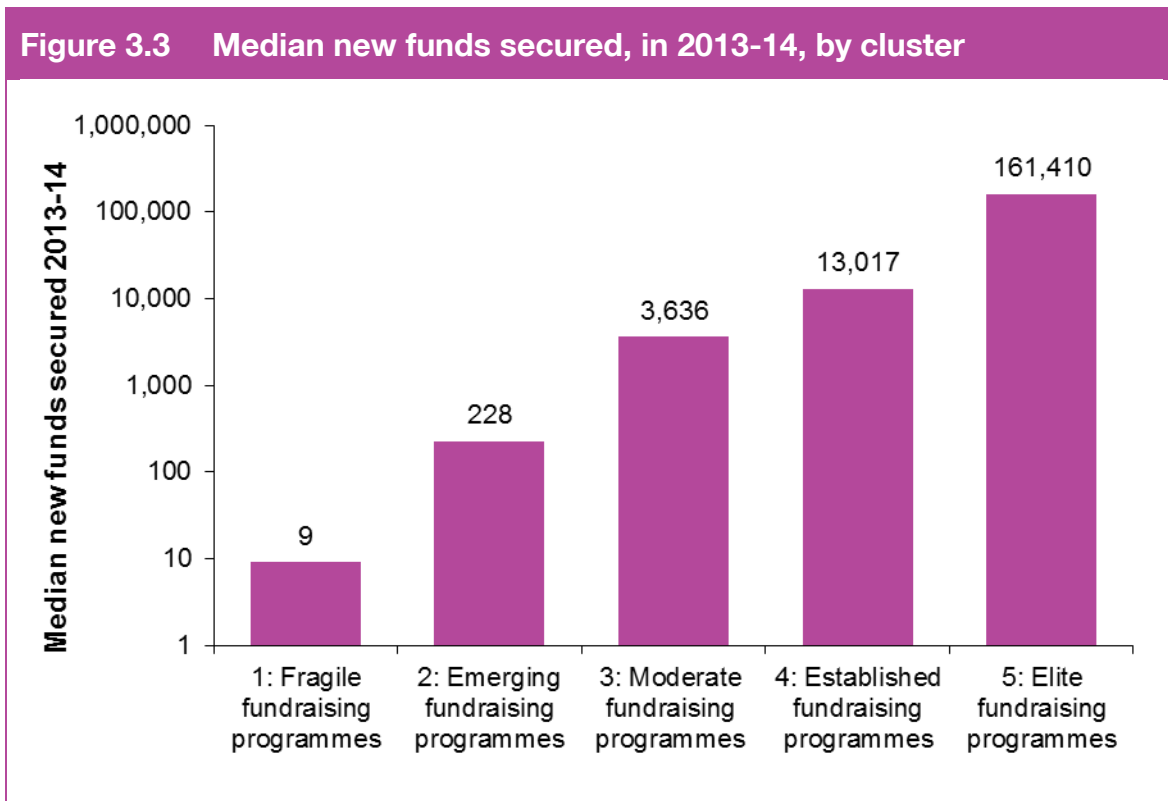
	<b>Clusters</b>				
	1: Fragile fundraising programmes	2: Emerging fundraising programmes	3: Moderate fundraising programmes	4: Established fundraising programmes	5: Elite fundraising programmes
All donors	108	15,913	55,879	74,462	104,894
Mean - donors	22	261	1,863	4,964	52,447
Median - donors*	6	166	1,568	5,019	-
<b>£000s</b>					
<b><u>For universities starting fundraising programmes pre-2010 only</u></b>					
Fundraising cost	184	10,095	20,392	23,901	28,596
Mean - fundraising cost	61	206	703	1,707	14,298
Median - fundraising cost*	10	200	638	1,536	-
Median - cost per pound received	£2.11	£0.45	£0.23	£0.16	£0.10
<b>Number</b>					
Fundraising staff	4	190	335	388	366
Mean - fundraising staff	1	3	12	26	183
Median - fundraising staff*	0	3	10	23	-
<i>Number of HEIs starting fundraising programmes pre-2010</i>	3	59	29	15	2

\* Please note that cluster 5 (Elite fundraising programmes) consists of only 2 universities so the median mean value is the same as the mean.

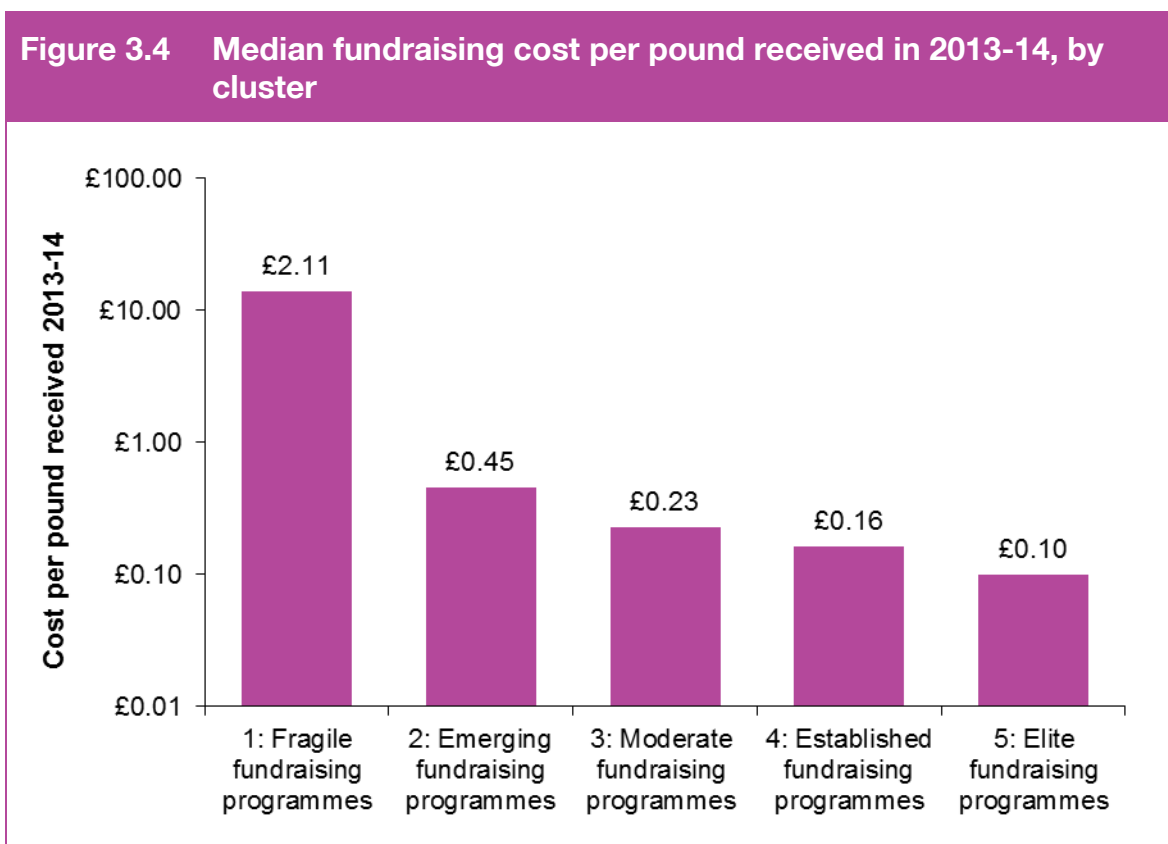
There was a clear trend of improvement between clusters 1 and 5 across all philanthropic income and costs variables (see Figure 3.3 and Figure 3.4<sup>9</sup>). However, cluster 1 and cluster 5 sat outside the fundraising continuum, with a gradual

<sup>9</sup> Please note that because of the large variation that exists between clusters, Figure 3.3 and Figure 3.4 both use a logarithmic scale.

improvement being evident across clusters 2 to 4.



Number of universities: 118



Number of universities: 109

Table 3.3 presents information about largest gifts made to universities in 2013-14, by cluster. The universities in cluster 1 and 2 were the most reliant on their largest gifts,

with a third of their income coming from these gifts as per the median largest gifts as a percentage of income (36%). This reliance decreased across clusters 1 and 5 (36% to 16%). This is not surprising given the large number of gifts received in cluster 5. However, this was not a reflection of the size of the largest gift, with those in cluster 1 receiving the lowest median largest cash gift (£1,500) and cluster 4 receiving £1.4 million.

<b>Table 3.3 Largest gifts made to universities in 2013-14, by cluster</b>					
<i>Ross-CASE Survey 2013-14</i>					
	<b>Clusters</b>				
	1: Fragile fundraising programmes	2: Emerging fundraising programmes	3: Moderate fundraising programmes	4: Established fundraising programmes	5: Elite fundraising programmes*
<b>£000s</b>					
Mean - largest cash gift	5	179	913	3084	-
Median - largest cash gift	2	100	491	1400	-
<b>Percentage</b>					
Mean - largest gifts as percentage of cash income	47	42	18	20	-
Median - largest gifts as percentage of cash income	36	36	17	16	-
<i>Number of universities</i>	6	68	30	15	1

\*These figures only apply to 1 university in cluster 5 and therefore the data cannot be shown to protect their anonymity.

Table 3.4 presents information about donors by cluster. The median number of donors increased between clusters 1 and 5. Cluster 1 had a median of 6 donors in 2013-14 and cluster 5 had a median of 52,447 donors. The median proportion of alumni making donations increased between clusters 1 and 5 (0.04% to 16%).

<b>Table 3.4 Donors, by cluster</b>					
<i>Ross-CASE Survey 2013-14</i>					
	<b>Clusters</b>				
	1: Fragile fundraising programmes	2: Emerging fundraising programmes	3: Moderate fundraising programmes	4: Established fundraising programmes	5: Elite fundraising programmes
<b>Number</b>					
Mean number of donors	22	261	1,863	4,964	52,447

<b>Table 3.4 Donors, by cluster</b>					
Median number of donors*	6	166	1,568	5,019	-
<b>Percentage</b>					
Mean - percentage of alumni that made a gift	0.1	0.4	2	4	16
Median - percentage of alumni that made a gift	0.1	0.3	1	3	16
<i>Number of universities</i>	4	52	30	14	2

\* Please note that cluster 5 (Elite fundraising programmes) consists of only 2 universities so the median value is the same as the mean.

Table 3.5 shows the breakdown of mission groups by cluster. The Russell Group universities, including Oxbridge, generally fall in to the clusters that performed better (3-5). Eight universities from the former 1994 Group fell into cluster 3. All University Alliance universities fell into cluster 2. Those universities from the Million+ Group generally fell into cluster 2 (92%), although 1 university fell into cluster 1. Those universities not formally part of a mission group were the most scattered, cutting across 4 clusters

<b>Table 3.5 Mission groups, by cluster</b>					
<i>Ross-CASE Survey 2013-14</i>					
	<b>Clusters</b>				
	1: Fragile fundraising programmes	2: Emerging fundraising programmes	3: Moderate fundraising programmes	4: Established fundraising programmes	5: Elite fundraising programmes
<b>Mission groups</b>					
Oxbridge	0	0	0	0	2
Russell Group ex Oxbridge	0	0	11	10	0
Former 1994 Group	0	3	8	0	0
Million+ Group	1	12	0	0	0
University Alliance	0	17	0	0	0
Other HEIs	5	37	11	5	0
<i>Number of universities</i>	6	69	30	15	2

Table 3.6 presents the information on the length of fundraising programme by cluster. 11% cent of universities had fundraising programmes that were established in 2010 or later.

Most clusters contained a mixture of more recent and longer running development programmes. However, there was a tendency for the programmes in universities in the more advanced clusters to have been in operation for longer.

<b>Table 3.6 Length of fundraising programme, by cluster</b>					
<i>Ross-CASE Survey 2013-14</i>					
	<b>Clusters</b>				
	1: Fragile fundraising programmes	2: Emerging fundraising programmes	3: Moderate fundraising programmes	4: Established fundraising programmes	5: Elite fundraising programmes
<b>Establishment of fundraising programme</b>					
1989 or earlier	-	3%	23%	20%	100%
1990 to 1999	-	26%	27%	53%	-
2000 to 2004	20%	20%	40%	20%	-
2005 to 2009	40%	36%	7%	7%	-
2010 and onwards	40%	16%	3%	-	-
<i>Number of universities</i>	5	69	30	15	2

### 3.3 Comparisons with 2012-13

Before any comparisons are made between the 2012-13 and 2013-14 clusters, it is important to note that the two are not directly comparable for the following reasons:

- The clusters in 2012-13 and 2013-14 are mutually exclusive and are based on probability of membership. Therefore a university can perform better in 2012-13 than 2013-14 and still perform worse than other universities. In this sense they could stay in the same cluster or even move to a lower cluster.
- The university population between the 2 years varies as not all universities who participated in 2012-13 participated this year and vice versa.
- The sample sizes are so small that a cluster can be easily influenced by extreme values.
- Three-year average data is used, so there is a 2 year overlap between the clusters, which suggests that university figures will only be majorly influenced by extreme figures.

With this in mind comparisons can be made between the 2 years qualitatively.

#### 3.3.1 Cluster 1: Fragile fundraising programmes

Cluster 1 is the poorest performing cluster, and there has not been any major improvements in the philanthropic income figures reported between 2012-13 and 2013-14.

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There has been a decrease in the median cash income received but an increase in new funds secured in 2013-14. The median largest gift has also decreased, with the median largest cash gift as a percentage of cash income received also falling in 2013-14.

The median number of alumni donors has been consistent, not changing from 2012-13.

### **3.3.2 Cluster 2: Emerging fundraising programmes**

Cluster 2 generally improved their fundraising performance between 2012-13 and 2013-14.

Cluster 2 saw increases in median cash income received and median new funds secured between 2012-13 and 2013-14. The median largest gift rose in 2013-14 but the median largest cash gift as a percentage of cash income received stayed relatively stable.

There were also increases in the median number of alumni donors and the median number of donors over the same period.

The median fundraising cost per pound received decreased marginally.

### **3.3.3 Cluster 3: Moderate fundraising programmes**

Cluster 3 experienced marginal changes between 2012-13 and 2013-14, with the number of universities remaining the same. Their fundraising performance improved over this period.

Median cash income received doubled for cluster 3 since 2012-13 and new funds increased too. The median largest gift also rose over this period, with the median largest cash gift as a percentage of cash income decreasing.

Cluster 3 also experienced an increase in the median number of donors and alumni donors between 2013-14 and 2012-13.

The median fundraising cost per pound received fell marginally by 10p, although the median fundraising costs rose.

### **3.3.4 Cluster 4: Established fundraising programmes**

Median cash income received and median new funds secured doubled between 2012-13 and 2013-14. The median largest gift also rose between 2012-13 and 2013-14 while the median largest cash gift as a percentage of cash income remained stable.

The median number of donors and alumni donors increased between 2012-13 and 2013-14.

Median fundraising costs increased, but the median fundraising cost per pound received decreased slightly between 2012-13 and 2013-14. This reflects that there was an increase in median cash income received in 2013-14.



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### 3.3.5 Cluster 5: Elite fundraising programmes

Cluster 5 continued to consist of Oxbridge, which generally lowered their fundraising performance.

Median cash income received and median new funds secured decreased between 2012-13 and 2013-14. Conversely, there was an increase in both total donors and alumni donors during this period. This suggests a fall in the individual value of gifts received.

The median fundraising cost per pound received rose slightly between 2012-13 and 2013-14 due to the median fundraising costs increasing and a drop in cash income received.

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## Appendix A. Survey methodology

- In the previous survey year (2012-13), the data collection tool underwent radical changes and was dissimilar to any of its predecessors. The survey was offered online for the first time. As a result, the current survey includes more detailed questions which provide new information to help institutions benchmark and improve their development performance. A phone number and email address were provided by NatGen to provide answers to queries.
- A new website was also produced to accompany the 2012-13 survey. This included a new online reporting tool, developed by Matrix, to allow institutions easier reporting and benchmarking on key metrics, and more access to data to facilitate tracking of performance and benchmarking over a longer period. The website and reporting tool were both updated for the 2013-14 survey.
- The data sharing exercise was offered to participants so that they could undertake their own benchmarking analysis using the data directly. The dataset will be included as part of the reporting tool. Due to these changes and longevity of data offered, institutions were asked to consent to sharing their data. Institutions have their own account on the reporting tool and are able to login securely.
- A Supporting Document<sup>10</sup> was produced in 2012-13 to accompany the survey. This document was updated for the 2013-14 survey year.
- HEFCE provided NatGen with a list of UK institutions that should be approached for the study. We approached 131 English HEIs, 8 Welsh HEIs and 21 other HEIs. No Further Education Institutions were approached to take part in this year's survey.
- The Vice-Chancellors of institutions were sent an advance letter signed by Kate Hunter, Executive Director of CASE Europe, inviting their institutions to participate. This included early information on the survey changes. Those individuals who submitted a return on behalf of their institution for the 2012-13 survey were also emailed directly by NatGen to draw their attention to the survey. Two emails were sent to Ross-CASE leads providing a link to the survey and login details. Both the letter and the emails provided the address of the Ross-CASE Survey website ([www.rosscasesurvey.org.uk](http://www.rosscasesurvey.org.uk)) from which the Survey could be accessed. The website also included background information about the survey, a hard copy of the survey, a Supporting Document, and a Data Release Protocol.
- Reminder emails and calls were used to encourage participation. Fieldwork took place between September 2014 and December 2014.
- A total of 124 surveys were returned by UK HEIs in time to be included in the analysis (fewer than for the 2012-13 survey). A total of 122 institutions were included in the analysis for this report. A list of participating institutions can be found in Appendix B.
- Data processing was carried out by NatGen. Data checks were included in the online survey. A further data management procedure was carried out to check outliers and to resolve observable errors. Where possible, missing or inconsistent data were queried with the institutions to check that they were correct before analysis was performed.
- Analysis for chapter 2 was carried out by NatGen using SPSS v21. Analysis for chapter 3 was conducted by CASE Europe using Latent Gold software v5.0.

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<sup>10</sup> The Supporting Document can be found on the Ross-CASE website at <http://www.rosscasesurvey.org.uk/>

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## Data quality

We acknowledge that some HEIs may have struggled to complete the survey since the changes introduced in 2012-13 due to the added detail being requested. Some institutions may have found it difficult to collect the appropriate data for submission or may have misinterpreted some of the guidelines for completion. Therefore, NatCen made calls to institutions whose data raised some issues and in many cases the data returns were improved. A systematic and multi-stage checking process was also implemented in an effort to improve the quality of the data.

Institutions were allowed the opportunity to correct their previous 2 years' data. Data collected in the 2012-13 survey was fed forward into the online data collection tool, so that institutions could view this data and make any necessary changes. It is important to note that all comparative figures between 2011-12, 2012-13 and 2013-14 presented in this report were compiled using newly updated figures, where available.

## Appendix B. Participating universities

**Appendix Table B.1** provides a summary of the number of universities in each mission group, the number that participated in the survey and the length of fundraising programmes of group members. Since the 2012-13 Ross-CASE Survey, a small number of universities have moved between mission groups. The mission groups used in this report reflect these changes.

<b>Appendix Table B.1</b>		<b>Mission group membership by age of fundraising programme</b>						
<i>Ross-CASE Survey 2013-14</i>								
		<b>Establishment of fundraising</b>						
	Total Members	Participated in survey 2013-14	1989 or earlier	1990 to 1999	2000 to 2004	2005 to 2009	2010 and onwards	
Russell Group	24	23	4	10	6	2	1	
Former 1994 Group	11	11	0	5	5	1	0	
Million+ Group	17	13	0	3	1	5	4	
University Alliance	20	17	0	3	4	7	3	
Other HEIs	-	58	10	13	14	15	5	

Total participating universities for the 2013-14 Ross-CASE Survey are listed below by mission group.

### The Russell Group

Universities that are members of the Russell Group and participated in the 2013-14 Ross-CASE Survey are as follows:

Cardiff University  
 Imperial College London  
 King's College London  
 London School of Economics & Political Science  
 Queen Mary, University of London  
 Queen's University Belfast  
 Newcastle University  
 University of Birmingham  
 University of Bristol  
 University of Cambridge  
 University College London  
 University of Edinburgh  
 University of Exeter  
 University of Glasgow  
 University of Leeds  
 University of Liverpool  
 University of Manchester

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University of Nottingham  
University of Oxford  
University of Sheffield  
University of Southampton  
University of Warwick  
University of York

The Russell Group is an association of 24 research-intensive universities in the UK ([www.russellgroup.ac.uk/](http://www.russellgroup.ac.uk/)).

Most of the participating universities from this mission group are English HEIs, while the others are from Northern Ireland, Scotland and Wales. More than half the Russell Group universities have fundraising programmes which were established before 2000.

### **The former 1994 Group**

Universities that are members of the former 1994 Group participated in the 2013-14 Ross–CASE Survey. The member universities are as follows:

Birkbeck, University of London  
Goldsmiths, University of London  
Institute of Education  
Lancaster University  
Loughborough University  
Royal Holloway, University of London  
SOAS, University of London  
University of East Anglia  
University of Essex  
University of Leicester  
University of Sussex

The former 1994 Group has 11 member universities that shared common aims, standards and values and was founded in 1994.

All of the former 1994 Group are English HEIs. 45% of these universities have fundraising programmes which were established between 1990 and 1999. The remaining 55% of former 1994 Group universities established their fundraising programmes between 2000 and 2009.

### **The Million+ Group**

Universities that are members of the Million+ Group and participated in the 2013-14 Ross–CASE Survey are as follows:

Anglia Ruskin University  
Bath Spa University  
Canterbury Christ Church University  
Edinburgh Napier University  
London Metropolitan University  
London South Bank University  
Middlesex University  
University of Abertay Dundee  
University of Bedfordshire  
University of Cumbria  
University of Sunderland

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University of West London  
University of the West of Scotland

The Million+ Group, formerly known as Campaigning for Mainstream Universities (CMU) is a university think tank which aims to help solve complex problems in higher education ([www.millionplus.ac.uk/](http://www.millionplus.ac.uk/)).

Those responding from the Million+ Group comprised mostly English HEIs. The majority of Million+ Group members began their fundraising programmes in 2005 or after (69%). However, a quarter of the universities belonging to the Million+ Group began their fundraising programmes before 2000.

## The University Alliance

Universities that are members of the University Alliance and who participated in the 2013-14 Ross–CASE Survey are as follows:

Bournemouth University  
Cardiff Metropolitan University  
Coventry University  
Kingston University  
Liverpool John Moores University  
Manchester Metropolitan University  
Northumbria University, Newcastle  
Nottingham Trent University  
Oxford Brookes University  
Teesside University  
University of Greenwich  
University of Huddersfield  
University of Lincoln  
University of Portsmouth  
University of Salford  
University of South Wales  
University of the West of England, Bristol

The University Alliance was formed in 2006 and comprises mostly of post 1992 universities. Member universities have a balanced portfolio of research, teaching, enterprise and innovation. ([www.unialliance.ac.uk/](http://www.unialliance.ac.uk/))

The majority of participating University Alliance members are English HEIs. 18% of universities began their fundraising programmes between 1990 and 1999, with a further 24% beginning programmes between 2000 and 2004. The majority of University Alliance universities established their programme post-2004 (59%).

## Other HEIs

Universities taking part in the 2013-14 Ross-CASE Survey, but not belonging to any of the mission groups included above, are listed here. Please note that 2 universities included in the list below were excluded from the reporting dataset due to incomplete data. They are, however, included in the online reporting tool.

Arts University Bournemouth  
Aston University  
Brunel University London  
City University London  
Courtauld Institute of Art

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Cranfield University  
Edge Hill University  
Glasgow Caledonian University  
Glasgow School of Art  
Guildhall School of Music & Drama  
Heriot-Watt University  
Institute of Cancer Research  
Keele University  
Leeds College of Art  
Leeds College of Music  
Leeds Beckett University  
Leeds Trinity University  
Liverpool Hope University  
Liverpool Institute for Performing Arts  
London Business School  
London School of Hygiene & Tropical Medicine  
Newman University  
Open University  
Queen Margaret University Edinburgh  
Robert Gordon University  
Roehampton University  
Rose Bruford College  
Royal Agricultural University  
Royal Central School of Speech and Drama  
Royal College of Music  
Royal Northern College of Music  
Royal Veterinary College  
St Mary's University London  
Swansea University  
Trinity Laban Conservatoire of Music and Dance  
University of Aberdeen  
University of Bath  
University of Bradford  
University of Brighton  
University of Derby  
University of Dundee  
University of the Highlands and Islands  
University of Kent  
University Campus Suffolk  
University College Birmingham  
University of Hull  
University of Reading  
University of St Andrews  
University of St Davids Trinity  
University of Stirling  
University of St Mark and St John  
University of Strathclyde  
University of Surrey  
University of the Arts London  
University of Ulster  
University of Chester  
University of Westminster  
University of Wolverhampton  
University of Worcester  
York St John University

## Appendix C. Latent Class Analysis

Essentially, Latent Class Analysis (LCA) consists of:

- a) Identifying the number of classes that best fit the data and
- b) Generating probabilities, per case, of class membership

An institution is then assigned to the class for which they have the highest probability. Latent Gold version 5.0 (<http://www.statisticalinnovations.com/products/latentgold.html>) was the software used to carry out the analysis.

As LCA is usually carried out on larger datasets with many more cases, the number of variables entered in the model was limited to the handful of factors thought to be most informative. Where possible, further variables were derived so as to maximise the data used in the analysis. For example, the fundraising cost per pound received was used instead of fundraising costs.

Furthermore, given the limited number of cases there was a possibility that LCA might not result in a clustering solution that was meaningful. While the measures of statistical fit were taken into account in the selection of the final model, more emphasis was placed on the requirement for the results to make substantive sense based on universities' responses to the questions entered into the model as well as other contextual information.

The final number of groups was not pre-determined and a number of possible solutions were available to consider. One crucial aspect of LCA is to identify the number of latent classes that best fits the data. In order to do so, we examined a range of models with different numbers of classes (from 2 to 7). In order to select the most appropriate model we looked at both statistical and substantive considerations.

Appendix Table C.1 Considerations for and indications of best fit statistics	
Considerations	Best fit
Class size	Good spread/similar trends
Class membership probabilities	High probabilities
Parameters	Fewer
Meaningful interpretation	Yes/No
Bayesian information criterion	Smaller the better
Akaike information criterion	Smaller the better
Akaike information criterion 3	Smaller the better
Bivariate residuals	<1

Firstly, to assess the goodness of fit we used several statistical measures: BIC (Bayesian Information Criterion), AIC (Akaike Information Criterion), AIC3 (Akaike Information Criterion 3). The recommended guidelines for good fitting models indicate that small values of BIC, AIC and AIC3 correspond to a good fit.



A 6 or 7 cluster model had the lowest BIC, AIC and AIC3 figures signifying that these cluster models had the best ‘goodness of fit’. However, the number of parameters in those 2 clusters was much higher than in a 5-cluster model. Also the BIC, AIC and AIC3 statistics for a 5-cluster model and a 6-cluster model were only slightly different when compared to differences observed in these figures across the 2, 3, and 4 cluster models.

<b>Appendix Table C.2 Latent class models and goodness of fit statistics</b>			
	<b>BIC(LL)</b>	<b>AIC(LL)</b>	<b>AIC3(LL)</b>
2 Cluster model	12885.33	12804.01	12833.01
3 Cluster model	12309.69	12186.31	12230.31
4 Cluster model	12203.49	12038.05	12097.05
5 Cluster model	12134.89	11927.39	12001.39
6 Cluster model	12104.25	11854.69	11943.69
7 Cluster model	12107.62	11816.00	11920.00

Secondly, we took into consideration class size, probabilities of class membership and parsimony. The size of the classes (i.e. clusters) showed that all models had some clusters with very few cases (18 cases or less). When observing class sizes, a few clusters in the 2, 3 and 4 cluster models were too broad and there was sufficient scope to further fit the data. In the 5, 6 and 7 cluster model, clusters 1, 2 and 3 had similar class sizes. On further analysis it was observed that all the universities in the new cluster in the 6-cluster model were from cluster 4 in the 5-cluster model. These observations suggested that the 6-cluster model and 7-cluster model were ‘overfitting’ the data. Although the model with 5 clusters had 1 cluster with a small size (only 2 cases), we believed this was the best solution because universities within each class were reasonably homogenous in terms of their responses.

The probabilities of class membership suggested that a 5 or 6-cluster model was the best model. Ideally, each institution should have a probability of 1 of being in one class and zero of being in other classes, showing that the model assigns cases to their designated class with accuracy. An examination of the average membership probabilities indicated that for all models, the probability of being assigned to the class for which they have the highest probability was very high (over 0.99). The highest average membership probability was for the models with five (1) and six clusters (1).

The principle of parsimony, which suggests that a model with fewer parameters that fits the data well should be preferred over one with more parameters. The 2, 3 and 4 cluster models had lesser number of parameters than the 5-cluster model, but the larger values for their AIC, AIC3 and BIC statistics suggested that a model with 5 clusters was the best solution for our data.

Finally, the classes within the 5-cluster model were examined to ensure they had a meaningful interpretation on the basis of the 7 fundraising variables used. We observed that each class was distinctive from the rest and had a meaningful interpretation. Thus, based on all these considerations we chose a model with 5 latent classes.