

New report: 11 SA universities received R1.91bn in philanthropic, Seta funding in 2018

According to the latest Annual Survey of Philanthropy in Higher Education (ASPIHE), companies and individuals are donating more than ever to South African universities, but the current challenge is to help historically disadvantaged universities to become more sustainable. The survey was conducted in 2019 and is based on data from the 2018 calendar year.



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Eleven South African universities raised an impressive R1.61bn of philanthropic support in 2018 – and when income from Sector Education and Training Authorities (Setas) is added, the total increases to R1.91bn. This is the sixth report released by Inyathelo: The South African Institute for Advancement.

“A total of 10,945 donors made philanthropic contributions to the 11 institutions, compared with 4,355 donors in 2013 when the sample was 10 institutions. Comparing the latest results with the previous year, there was an increase of 1,588 donors between 2017 and 2018,” said lead researcher Dr Sean Jones.

Donor sectors

The largest proportion of philanthropic income came from trusts and foundations which contributed 48%. This is an increase against the figure of 42% recorded for 2017, but a substantial decrease from 61% in 2013.

Declining dependence on trusts and foundations was matched by increased levels of giving by the private sector and individuals. Corporates contributed 30% of philanthropic income in 2018 compared with 14% in 2013, whilst individual donors (including bequestors) increased funding from 4% in 2013 to 8% in 2018.

“As HEIs (higher education institutions) were (and still are) over-reliant on trust and foundation funding, most of it foreign, the decrease in trust and foundation funding is to be welcomed in tandem with the healthy increases in income from South African corporates, individuals and other local sources,” said Dr Jones.

“Collectively, figures suggest that increasing numbers of South African individuals and organisations are giving significantly more funding to HEIs than six years ago. South African donors accounted for 92% of all donors in the sample compared with 87% in 2013.”

Skewed support

The research has, over the years, also revealed a strong correlation between institutional type and levels of donor income. South African universities are divided into three types: traditional universities which offer theoretically-oriented university degrees; universities of technology which offer vocational-oriented diplomas and degrees; and comprehensive universities which offer a combination of both types of qualification.

So-called traditional universities attract the bulk of philanthropic resources. In fact, 94% of the R1.61bn received by the 11 universities in 2018 went to traditional, historically advantaged universities. Only 6% went to the comprehensive universities and universities of technology participating in the survey.

In monetary terms, R1.5bn was split among the traditional universities. The balance of R101m was distributed among the four comprehensive universities and universities of technology. Moreover, R59m of the R101m that went to non-traditional universities was allocated to one non-traditional institution. This left R42m shared between the remaining three.

Seta income

Non-traditional universities are, however, generally more successful at attracting Seta funding, said Dr Jones. The highest amount of Seta income accruing to a single institution in 2018 was R106m, awarded to a comprehensive university.

“The addition of Seta income to philanthropic income decreases marginally the vast chasm in the higher education landscape.”

The challenge now facing the sector, said Inyathelo executive director Nazeema Mohamed, is to reach out to the 15 universities that are not taking part in the annual survey of philanthropy and to enlist their participation.

Advancement staff

The ASPIHE research showed that the 11 universities employed 177 full-time and part-time staff in fundraising development and alumni relations at end-2018. This was up from 136 staff in the sample of 10 universities in 2013. 44% of staff were engaged in fundraising and development, 23% in alumni relations and 32% in support functions.

Although different universities pursue their own particular fundraising methods, the system that Inyathelo has pioneered in South Africa to attract philanthropic income is known as Advancement. It is an integrated, inclusive approach by HEIs to engage with their external environment to build partnerships with key stakeholders and attract investment.

Inyathelo has been lauded for its interventions, funded by the Kresge Foundation, to professionalise the advancement sector. It is now being drawn into capacity building initiatives by Universities South Africa (USAf) and the Department of Higher Education and Training, said Mohamed.

“Through USAf, Inyathelo will be tasked with providing advancement training via the Higher Education Leadership



Dr Sean Jones, lead researcher, on the Annual Survey of Philanthropy in Higher Education



Nazeema Mohamed, executive director, Inyathelo

Management Programme (HELM). We have also been asked by the Department of Higher Education and Training to participate in the Historically Disadvantaged Institutions (HDIs) Capacity Development Programme.”

Generation of third stream income

Inyathelo will also collaborate within the US-SA Higher Education Network on the promotion of exchanges between South African and American universities on advancement and the generation of third stream income (income derived from sources other than public subsidies and student fees).

“We have been tasked with drafting a concept document on third stream income which will include technology transfer and entrepreneurship in universities. Our aim is to work towards the inclusion of all 26 universities in the ASPIHE publication,” she said.

“I would like to thank all who have made these ground-breaking annual research reports possible,” concluded Mohamed. “The support of the Kresge Foundation, the expertise of lead researcher Dr Sean Jones and coordination by Inyathelo staff have generated deep insights into previously unmapped philanthropic territory.”

There are 26 universities in South Africa. The 11 that took part in this survey were Cape Peninsula University of Technology (CPUT); University of Cape Town (UCT); Durban University of Technology (DUT); University of the Free State (UFS); University of Johannesburg (UJ); University of KwaZulu-Natal (UKZN); University of Pretoria (UP); University of Stellenbosch (SU); Tshwane University of Technology (TUT); University of the Western Cape (UWC); and the University of the Witwatersrand (Wits).

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