## **Endowment Tme Series for Report**

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## **Notes on Percent Change**

We compute the relative change from one year to the next as

$$\mathsf{Relative\ change} = \frac{\mathsf{End\ Value} - \mathsf{Start\ Value}}{\mathsf{Start\ Value}}.$$

The percent change is then simply Relative Change  $\times$  100.

For a relative change of value R, we can interpret it by considering the formula

End Value = 
$$(R+1) \times \text{Start Value}$$
.

A couple of examples include: \* If the percent change is -50%, the current year value is half of that in the previous year. \* If the percent change is 100%, the current year value is twice that in the previous year. \* If the percent change is -100%, the current year value is zero.

### **Annual Growth Rate**

The annual growth rate is the percent change in a year. That is,

$$\text{growth rate} = \frac{\text{Beginning Value} - \text{End Value}}{\text{Beginning Value}}.$$

We can compute this for the S&P 500 for the same time interval. Here, we use mean value of the S&P 500 to the previous week compared to the beginning and end dates of each company's fiscal year.

To account for withdrawals and contributions, we add back withdrawals and subtract contributions, so we calculate the annual growth rate as

$$\mbox{Annual Growth Rate} = \frac{(\mbox{End Value} + \mbox{Other Expenditures} + \mbox{Grants and Scholarships} + \mbox{Administrative Expenses} - \mbox{Contributions}) + \mbox{Beginning Value}}{\mbox{Beginning Value}}$$

This adjustment is important because we want to see how much of the change from the beginning of year balance to the end of year balance is due to the investments, not, for example, a large contribution.

### Annual Growth of the S&P 500 Compared to the Annual Growth in Endowments

 Growth Rate of Adjusted Endowment Balance
 Growth Rate of S&P 500 0.1 0.1 Percent Change 0.1 0.1 0.0 Date

Figure 1: Annual growth rate of a company's endowment when adjusting for contributions and withdrawals, compared to the annual growth S&P 500 for the corresponding time period.

### **Compound Growth Rate**

Letting t denote the number of years considered,

Compound Annual Growth Rate 
$$=\left(rac{ ext{End Value}}{ ext{Beginning Value}}
ight)^{rac{1}{t}}-1$$

Now, we note that we can compute the withdrawals using other variables reported in the 990:

 $\label{eq:withdrawals} \textbf{Withdrawals} = \textbf{Other Expenditures} + \textbf{Administrative Expenses} + \textbf{Administrative Expenses} + \textbf{Grants and Scholarships}.$ 

To adjust for contributions and expenditures, we define the Compound Annual Growth Rate as

$$\left(\frac{\text{End Value} + \sum_{i=1}^{t-1} \text{Withdrawals} - \sum_{i=1}^{t-1} \text{Contributions}}{\text{Beginning Value}}\right)^{\frac{1}{t}} - 1$$

We visualize the compound growth rates for all companies in Figure 2. Notably, San Francisco Ballet, Joffrey Ballet, and

#### **Compound Annual Growth Rate** Compound Annual Growth Rate in S&P 500 Compound Annual Growth Rate for Endowment 2015 to 2020 2011 to 2020 Joffrey Ballet San Francisco Ballet Atlanta Ballet Ballet Arizona Ballet Arizona The Alabama Ballet Richmond Ballet Nashville Ballet Atlanta Ballet Grand Rapids Ballet Nashville Ballet Ballet Austin The Washington Ballet Charlotte Ballet The Washington Ballet Houston Ballet The Sarasota Ballet American Ballet Theatre Tulsa Ballet Boston Ballet The Tallahassee Ballet **Boston Ballet** Grand Rapids Ballet Tulsa Ballet Madison Ballet Charlotte Ballet Houston Ballet Fort Wayne Ballet Pacific Northwest Ballet **Ballet Memphis** American Ballet Theatre Pacific Northwest Ballet San Francisco Ballet Miami City Ballet New York City Ballet Madison Ballet Alvin Ailey American Dance Theater Ballet Hispánico Ballet Hispánico Alvin Ailey American Dance Theater Pittsburgh Ballet Theatre Pennsylvania Ballet New York City Ballet 11% Pittsburgh Ballet Theatre Pennsylvania Ballet The Tallahassee Ballet 11% The Sarasota Ballet Ballet West Ballet Memphis 12% Ballet West Nevada Ballet Theatre Texas Ballet Theatre Dance Theatre of Harlem Oregon Ballet Theatre First State Ballet Theatre 8% Nevada Ballet Theatre 11% Texas Ballet Theater 11% Dance Theatre of Harlem 11% 8% Eugene Ballet Eugene Ballet Aspen Santa Fe Ballet BalletMet Aspen Santa Fe Ballet BalletMet **Compound Annual Growth Rate** Compound Annual Growth Rate 2017 to 2020

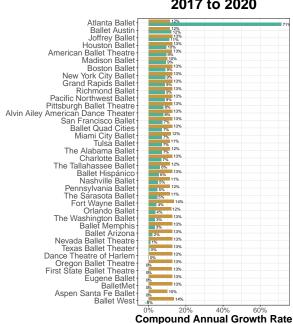


Figure 2: Compound annual growth rates for all organizations compared to the compound annual growth rate for the S&P 500 for three time periods. Not all companies are present in each plot, since not all companies have data going back the same number of years. Of note, year to year differences in the compound annual growth rate of the S&P 500 are due to differences in companies' fiscal years.

Table 1: Organizations with 100% of their Endowments in One Category for All Years on File

Organization Name	Number of Years on File
Board designated or quasi-endowment	
The Tallahassee Ballet	6
Ballet Quad Cities	2
Canyon Concert Ballet	1
Permanent endowment	
Pittsburgh Ballet Theatre	7
Dance Theatre of Harlem, Madison Ballet	6
BalletMet	5
Aspen Santa Fe Ballet, Ballet West	4
New Mexico Ballet Company	3
Oregon Ballet Theatre	2
American Repertory Ballet, Colorado Ballet, Orlando Ballet	1
Temporarily restricted endowment	
First State Ballet Theatre	6
Ballet Des Moines	2

We see immediately in Figure 2 that some companies have a compound growth rate is indistinguishable from zero. This includes:

- · Oregon Ballet: reported no investment earnings/losses for any year
- Harlem Ballet: investment earnings/gains were extremely small ( $\pm 13$  dollars)
- · First State Ballet Theatre: reported no investment earnings/losses for any year
- Eugene Ballet: only reported investment earnings/losses for 2020 and 2021
- · American Repertory Ballet: reported no investment earnings/losses for any year

We see in Figure 1 that each of these companies annual growth rates are essentially zero when accounting for contributions and withdrawals.

### Where Endowments are Held

#### **Proportion of Endowments Held in Designated Categories** By Organization and Fiscal Year Median across companies Board designated Temporarily restricted Permanent endowment or quasi-endowment endowment 100% 75% Percent 25% 2016 2018 Fiscal Year 2016 2018 2020 2014 2020 2014 2016 2018 2014 2020

Figure 3: The percent of endowments held in temporarily restricted endowment, permanent endowment, or board designated or quasi-endowment. The median across all companies by fiscal year is shown in red.

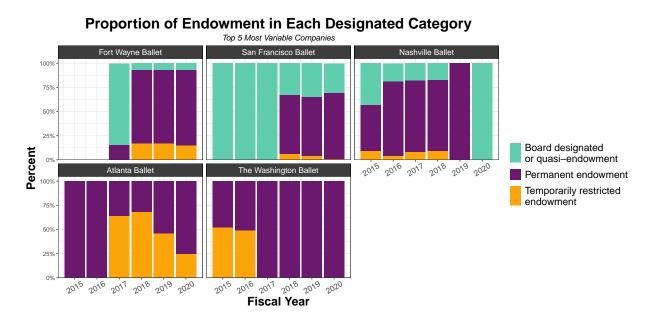


Figure 4: Proportions of endowments in each designated category over time for the 5 companies with the most variability.

## **Rankings**

## **Beginning of Year Balance versus Contributions**

### **Rank Plot**

## Rank of Contributions versus Rank of Beginning of Year Endowment Balance

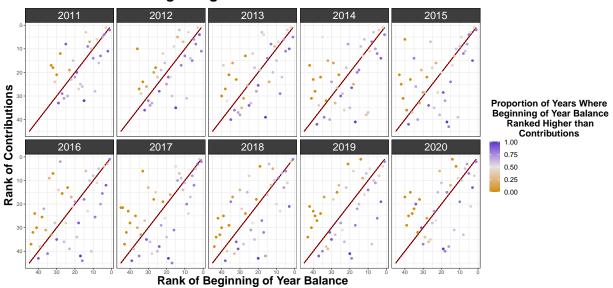


Figure 5: Comparing the rankings of beginning of year balance of the endowment to the ranking of contributions recieved.

### **Bar Plot**

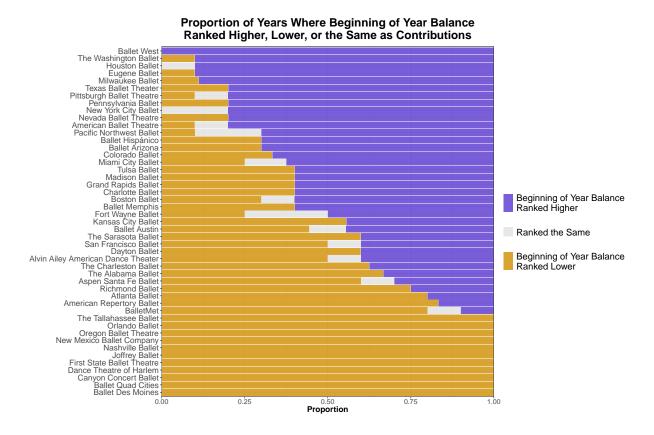
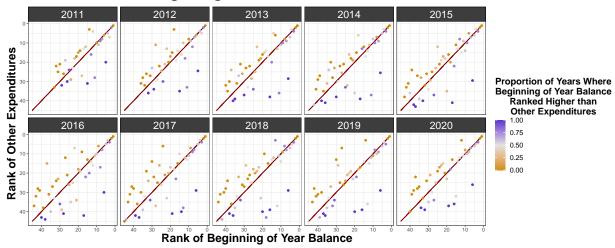


Figure 6: Comparing the proportion of years where a company ranked higher, lower, or the same in beginning of year balance compared to contributions received. A higher rank means a rank closer to 1, where 1 is the top possible rank.

## **Beginning of Year Balance versus Other Expenditures**

### **Rank of Other Expenditures versus** Rank of Beginning of Year Endowment Balance



### **Proportion of Years Where Beginning of Year Balance** Ranked Higher, Lower, or the Same as Other Expenditures

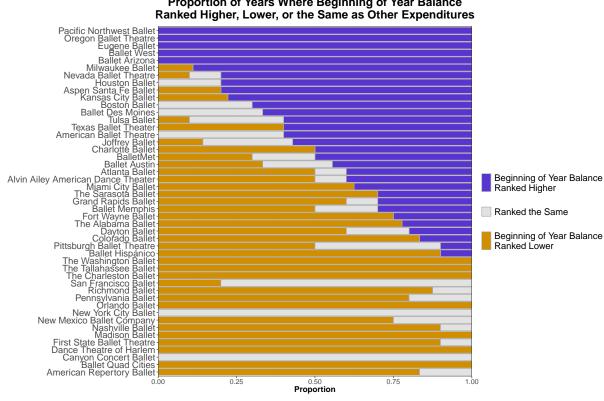


Figure 7: Comparing the proportion of years where a company ranked higher, lower, or the same in beginning of year balance compared to expenditures.

## How ranks change over time

## **Ranking of Endowment Beginning of Year Balance**

## Rank of Beginning of Year Balance over Time

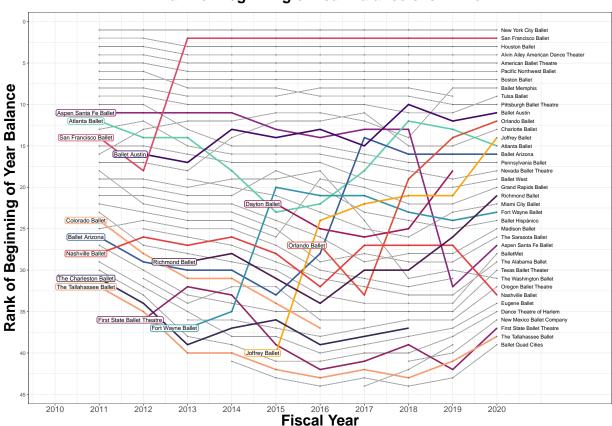


Figure 8: Rank of the endowment beginning of year balance over time. The 15 companies with the most variability in ranking, defined as the mean difference in rankings between fiscal years, are shown in color. Names of all companies are on the right.

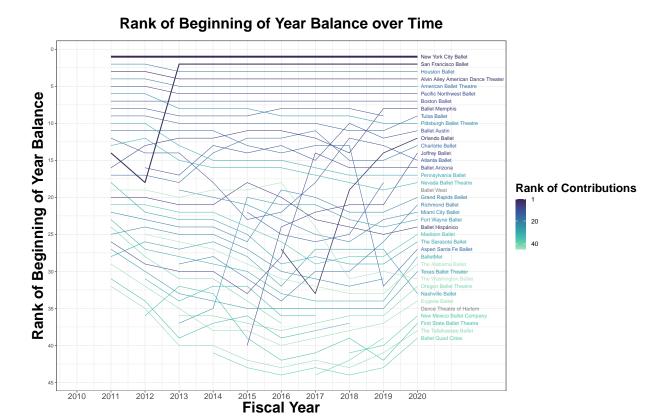


Figure 9: Rank of the endowment beginning of year balance over time, where the color indicates the ranking of the mean contributions received over all years on file for the company.

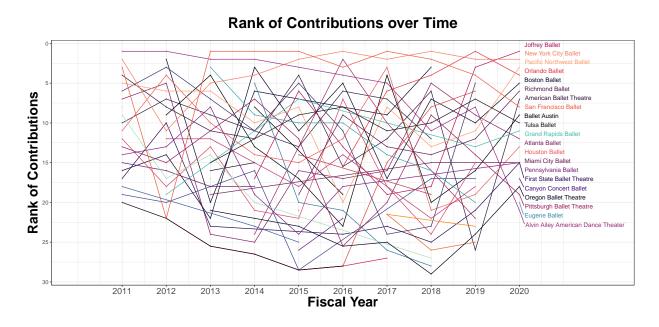


Figure 10: The rankings of contributions over time, by organization.

Table 2: Number of Companies that Reported an Endowment

	Reported an Endowment	Did Not Report an Endowment
By Year		
2014	6	1
2015	70	35
2016	79	37
2017	83	42
2018	96	40
2019	106	40
2020	83	40
2021	21	6
Filled out Schedule D at Least Once		
	122	47

## **Reporting of Endowments**

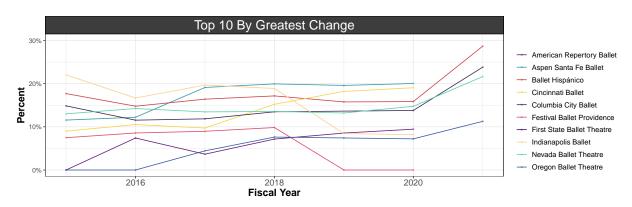
## Compensation

# **Top Employees Compensation Compared to Other Employee Compensation**

- Fortotal employee compensation CYSalariesCompEmpBnftPaidAmt: Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10).
- For top employee compensation Schedule J, looking at total compensation

Only included companies with more than 5 observations.

## Percent of Total Compensation Paid to C-Suite Employees



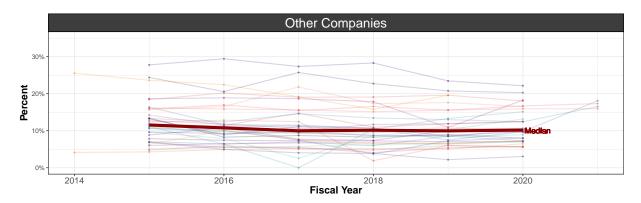


Figure 11: percent of the total compensation paid to employees that was paid to officers, directors, trustees, or key employees, as reported in Part IX of the Form 990. Highlighted in the first panel are the 10 companies that had the greatest change in the percent paid to C-Suite employees from the earliest year on file to the latest. Only companies with more than 45 employees and that reported complete data for more than 5 years are included.

## Comparing Percent of Total Compensation Paid to C-Suite in 2015 to Percent Paid to C-Suite in 2020

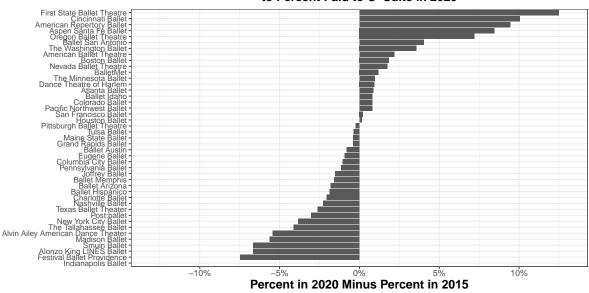


Figure 12: