

**UNIVERSITI TEKNOLOGI MARA**

**FACTORS THAT IMPACT THE  
PERFORMANCES OF UNIVERSITY  
ENDOWMENT FUND SIZE IN UNITED STATES:  
EVIDENCE FROM YEAR 2014-2017**

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of the requirements for the degree of  
**Bachelor of Business Administration**  
**(Finance)**


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**June 2018**

## AUTHOR'S DECLARATION

I declare that the work in this final year project paper was carried out in accordance with the regulations of Universiti Teknologi MARA. It is original and is the results of my own work, unless otherwise indicated or acknowledged as referenced work. This thesis has not been submitted to any other academic institution or non-academic institution for any degree or qualification.

I, hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for Undergraduate, Universiti Teknologi MARA, regulating the conduct of my study and research.

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## ABSTRACT

The management of university endowments has been the focus of increased attention in recent years in order to support the core academic mission of the university by supplying source of income to supplement the operating budget. In that way, this research is conducting in order to investigate the factors that impact the performances of university endowment fund size that focus in the United States. This study is conducting based on universities at United States as there have large amount of university endowment in the world and to have better understanding on how the university managing their endowment based on several factors that could impact the performance of university endowment fund size raised in dollars. For this research, the researcher using university endowment fund size (in total dollar raised) as dependent variable meanwhile used Gross Domestic Product (GDP), university asset allocation, and university total expenditure as independent variables in order to find the relationship of independent variables that give impact towards the performances of university endowment fund size. This is because of recently the higher education institutions facing difficulty in order to keep maintaining their demands for education expenditure activity as the country start face of depths on financial crisis and the endowments returns start falling into negative on the second straight year in 2016 which is an average of -1.9% below than last year's return of 2.4%. This study is using 64 observations as the sample of university used are 16 universities with the data was collected from the four (4) conservative years which is from 2014 until 2017. In that way, this research use panel data regression to test the independent variables that impact towards the performances of university endowment fund size. The analysis is based on secondary data as its collected from the World Bank data, Voluntary Support of Education Survey (VSE): Council for Aid Education, National Endowment Survey (NES), Integrated Postsecondary Education Data System (IPEDS), and University Annual Report; and the hypothesis testing conduct to determine the relationship between university endowment fund performance between all independent variables. The expected findings of this research were assuming that the performances of university endowment fund size to have positive relation between Gross Domestic Product (GDP), university asset allocation, and university total expenditure.

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