Endowment Growth

Union and its Peer Institutions

Eshragh Motahar, Professor of Economics[1]

October 2025

In previous studies, we have shown that, in the past several years, Union College's endowment has underperformed in terms of both risk and return. In addition, it has underperformed based on some other criteria as well. For details, see Union College Endowment, March 2025.

In this study, we take a somewhat different approach. The distinctive features of this approach are as follows:

1. We constructed a dataset on endowment levels for Union and its "official" thirty-one peer institutions, drawn from data provided by NACUBO (National Association of College and University Business Officers), for the period FY2000 through FY2024.
2. We then calculated the annual percentage change in the above endowment levels.
3. Subsequently, we calculated the average annual change for various subperiods. Then we ranked these averages from the highest to the lowest. In this document, we report results for FY2000-FY2024, FY2008-Fy2024, and FY2020-FY2024. See Figures 1, 2 and 3. See also the appendix for additional data.

Note that there is a distinction between (a) the annual rate of return on the endowment (or more precisely, "the pooled endowment total return") that we have studied before, and (b) the annual rate of growth of the endowment that we are reporting here. The latter is the net of donations to the endowment, the annual draw from the endowment, and how well or poorly investment managers have performed.

In figures 1, 2, and 3 we show Union's endowment growth path for three periods of time: FY2000-2024, FY2008-2024, and FY2020-2024. In all cases, Union's performance is below the median of its peers. In each figure we also report the growth paths of the highest and the lowest performer. Tables 1-4 in the Appendix provide additional information.

We also report here the results of one of the several simulations that we have performed. If Union's endowment had grown at the median growth rate of its peers for the FY2000-FY2024 period, its endowment as of July 1, 2024 would have been around $155 million larger than it actually was. Keeping in mind the three-year moving average method that is used for the draw, and a reasonable assumption about Union's performance in FY2025, almost the entirety of its budget deficit for 2025-26 would have been covered at a draw similar to the current one. That is, in all likelihood, there would have been no need for the 8.25% salary cut (in COLA terms), the retirement contributions cut from 11% to 8%, etc. If Union's endowment ad grown at a rate similar to Bowdoin's (the highest performer for this period), then its size as of July 1, 2024 would have been $931 million larger. That is, it would have stood at a total of $1.5 billion.

Transparency & Accountability. All of our spreadsheets, and methodologies used to calculate our results will be provided upon request.

[1] Research assistance by Hashim Mir, summer research fellow, is greatly appreciated.

Figure 1: FY2000-FY2024

Average annual growth rates: Bowdoin (highest), 8.2%; Median, 4.6%; Union, 3.8%; Macalester (lowest), 2.4%

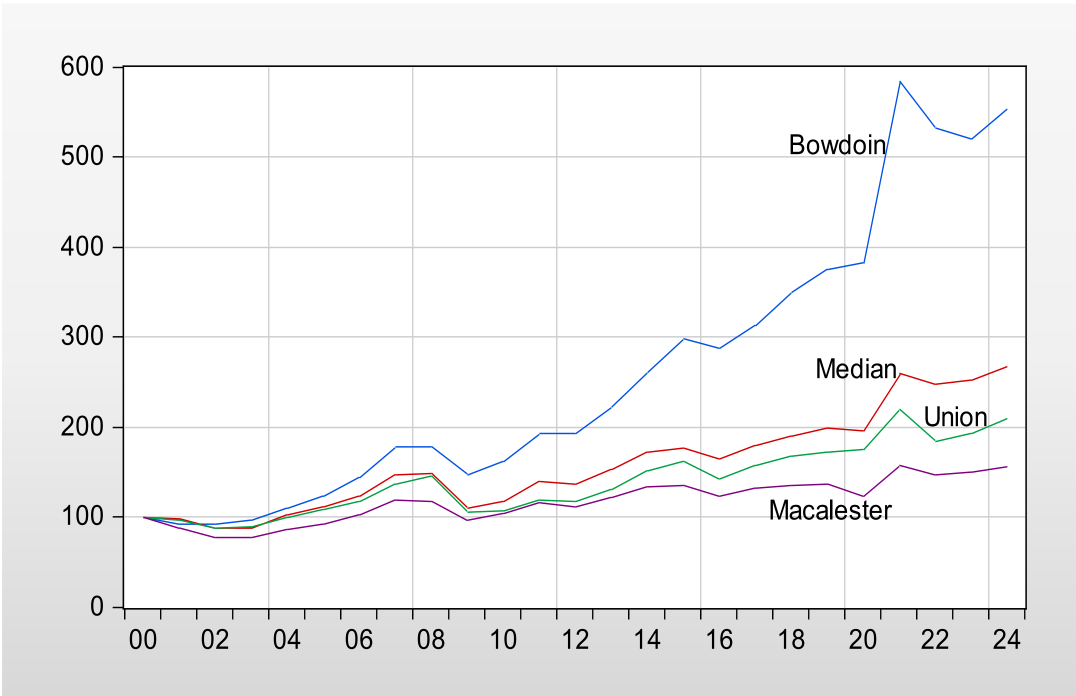


Figure 2: FY2008-FY2024

Average annual growth rates: Kenyon (highest), 9.3%; Median, 4.7%; Union, 3.1%; Macalester (lowest), 2.3%

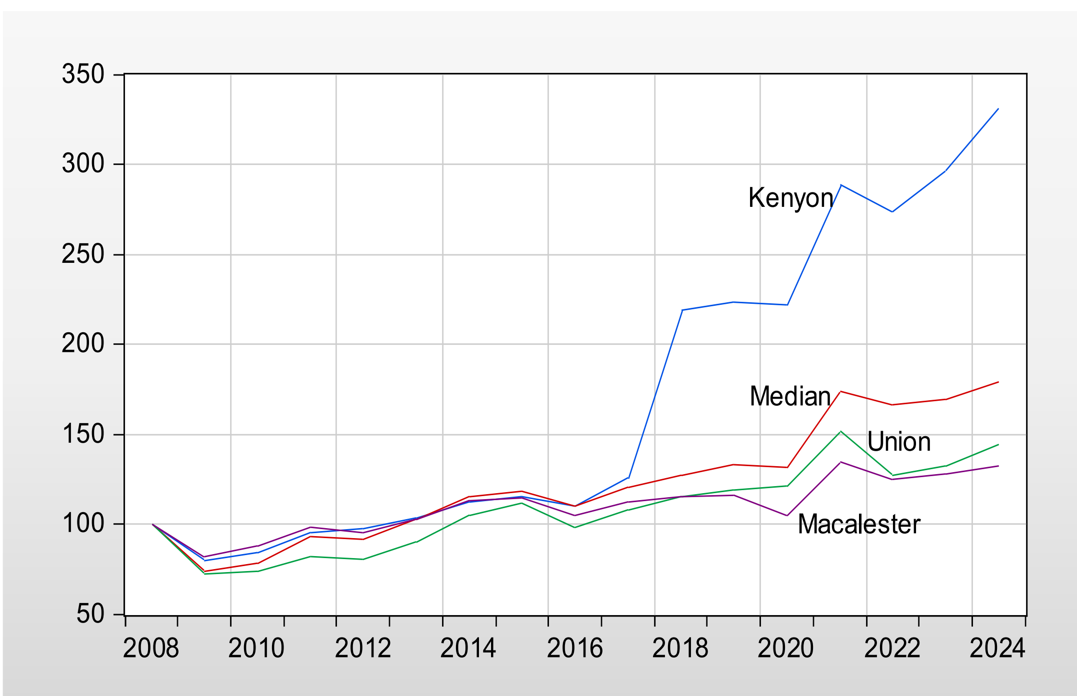
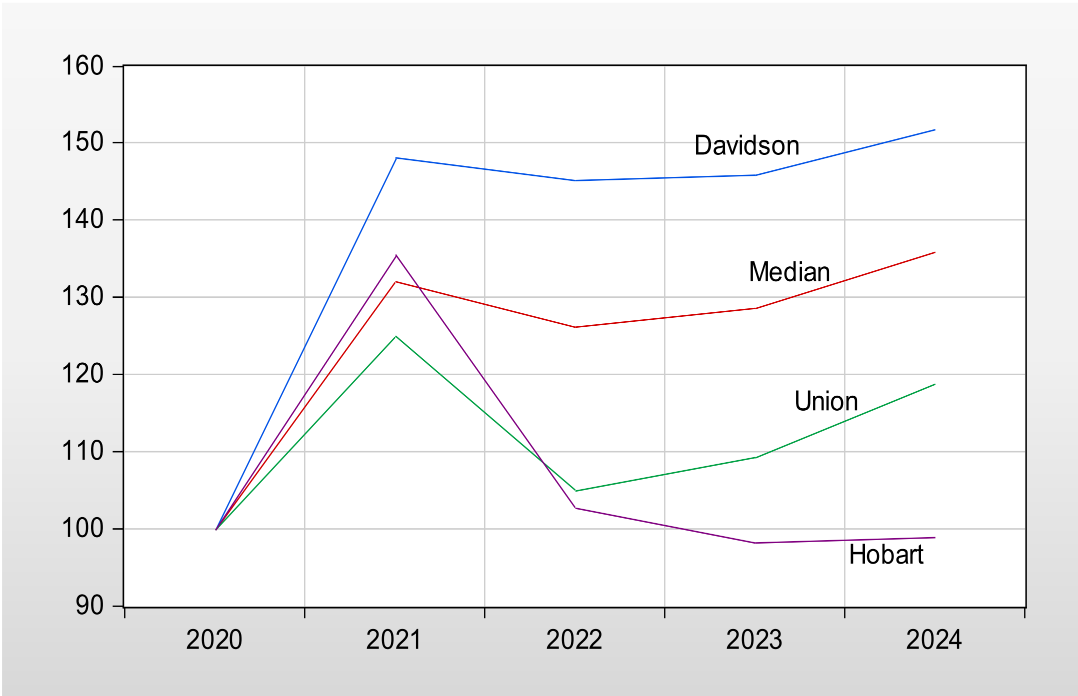


Figure 3: FY2020-FY2024

Average annual growth rates: Davidson (highest), 12.7%; Median, 8.9%; Union, 5.4%; Hobart & William Smith (lowest), 1.9%



Source: Underlying data were obtained from NACUBO. Calculations and graph construction were done by the author.

Notes: For ease of comparison, we converted actual endowment levels for each college to $100 at the beginning of the period under study. For example, regarding Table 1, we converted Bowdin, Union, and Macalester's endowment levels in FY2000 to $100. We then constructed a time path for their performance based on actual percentage increases in their respective endowments over the FY2000-FY2024 period. For the "Median" we started with $100 in FY2000 and constructed a time path for its behavior based on the median performance of the 32 colleges. We followed the same methodology for Figures 2 and 3.

APPENDIX

Table 1

Endowment Levels, in millions of dollars, and percentage change between those levels between FY2000 and FY2024, ranked by highest to lowest percentage change

Peer institutions	***FY2000***	***FY2024***	***% change***
Bowdoin College	465	2,582	455.0
Kenyon College	144	627	335.0
Davidson College	336	1,375	308.6
Amherst College	912	3,550	289.0
Dickinson College	163	628	284.9
Skidmore College	136	487	257.8
Hamilton College	432	1,362	215.0
Colby College	374	1,160	210.6
Grinnell College	862	2,671	209.7
Connecticut College	164	482	194.2
Swarthmore College	964	2,728	183.1
Smith College	907	2,564	182.7
Colgate University	439	1,240	182.4
Wesleyan University	580	1,583	173.0
Williams College	1,358	3,656	169.3
Mount Holyoke College	425	1,102	159.0
Bucknell University	465	1,167	150.9
Lafayette College	451	1,125	149.3
Wellesley College	1,253	3,005	139.8
Middlebury College	667	1,598	139.7
Occidental College	281	654	133.2
Trinity College	362	835	130.7
Bates College	198	447	125.3
Haverford College	330	707	114.4
Union College	269	564	109.4
Oberlin College	610	1,270	108.2
Hobart and WS	115	222	92.9
Vassar College	675	1,301	92.7
Carleton College	681	1,255	84.5
St Lawrence University	230	417	81.4
Franklin and Marshall	275	439	59.8
Macalester College	564	883	56.4
Median	***436***	***1,164***	***154.9***

Table 2

Average Annual
Growth Rate of the Endowment, FY2000-FY2024

Peer institutions	***%***
Bowdoin College	8.2
Kenyon College	7.4
Davidson College	6.9
Amherst College	6.6
Dickinson College	6.4
Skidmore College	6.2
Grinnell College	5.7
Hamilton College	5.7
Colby College	5.7
Connecticut College	5.3
Wesleyan University	5.1
Williams College	5.1
Swarthmore College	5.0
Smith College	5.0
Colgate University	4.9
Mount Holyoke College	4.7
Bucknell University	4.5
Lafayette College	4.5
Wellesley College	4.4
Middlebury College	4.4
Bates College	4.3
Occidental College	4.2
Haverford College	4.1
Trinity College	4.0
Oberlin College	3.8
Union College	3.8
Hobart and WS	3.5
Vassar College	3.3
Carleton College	3.3
St Lawrence University	3.1
Franklin and Marshall	2.7
Macalester College	2.4
Median annual growth rate	***4.6***

Table 3

Average Annual
Growth Rate of the Endowment, FY2008-FY2024

Peer Institutions	***%***
Kenyon College	9.3
Bowdoin College	8.3
Davidson College	7.5
Wesleyan University	6.7
Connecticut College	5.9
Amherst College	5.7
Williams College	5.5
Hamilton College	5.5
Bucknell University	5.4
Dickinson College	5.2
Colby College	5.1
Trinity College	5.1
Swarthmore College	4.9
Grinnell College	4.9
Carleton College	4.8
Wellesley College	4.8
Smith College	4.6
Middlebury College	4.4
Occidental College	4.4
Bates College	4.3
Colgate University	4.2
Oberlin College	4.1
Mount Holyoke College	4.0
Lafayette College	4.0
Skidmore College	3.9
St Lawrence University	3.9
Vassar College	3.3
Union College	3.1
Haverford College	2.8
Franklin and Marshall	2.5
Hobart and WS	2.5
Macalester College	2.3
Median annual growth rate	***4.7***

Table 4

Average Annual
Growth Rate of the Endowment, FY2020-FY2024

Peer institutions	***%***
Davidson College	12.7
Wesleyan University	12.6
Connecticut College	12.1
Bowdoin College	12.0
Kenyon College	11.3
Occidental College	11.1
Carleton College	10.5
Amherst College	10.5
Middlebury College	9.8
Mount Holyoke College	9.7
Dickinson College	9.3
Skidmore College	9.2
Bucknell University	9.2
Haverford College	9.0
Colby College	9.0
Trinity College	8.9
Wellesley College	8.8
Williams College	8.8
Hamilton College	8.8
Smith College	8.6
Oberlin College	8.6
Bates College	8.2
Lafayette College	8.2
Grinnell College	8.1
Swarthmore College	8.0
Colgate University	7.5
Franklin and Marshall	7.2
Macalester College	6.8
Union College	5.4
Vassar College	5.2
St Lawrence University	3.2
Hobart and WS	1.9
Median annual growth rate	***8.9***