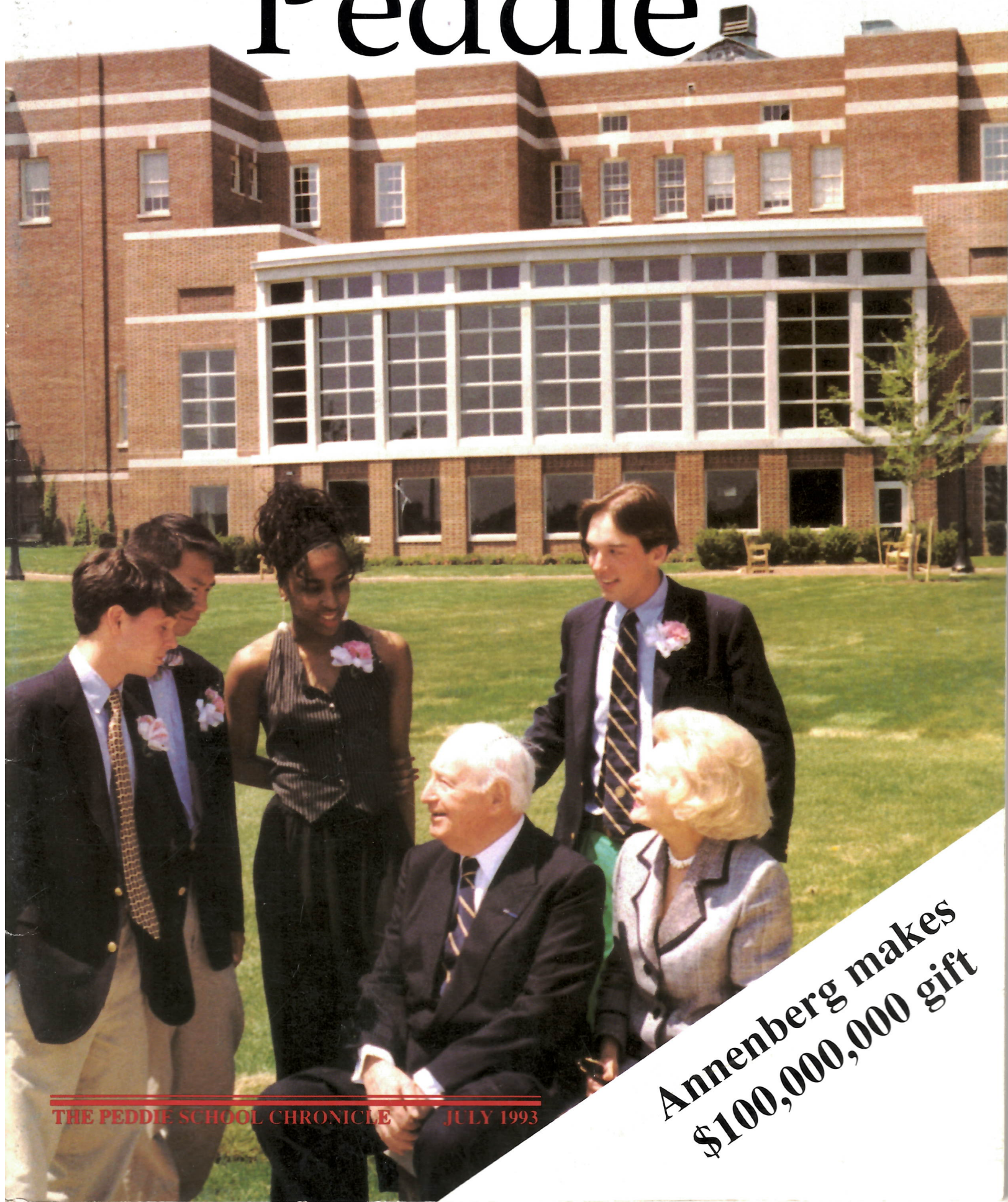


# Peddie



THE PEDDIE SCHOOL CHRONICLE JULY 1993

**Annenberg makes  
\$100,000,000 gift**

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# \$100,000,000 endowment gift boosts Peddie's leadership role

By Bruce B. VanDusen  
Editor of *The Chronicle*

Class of 1927 alumnus Walter H. Annenberg's famed generosity to Peddie and American education set yet another record last month as he gave \$100 million to his own alma mater and another \$265 million to three universities.

Word of the gifts became page one and prime time news across the country on Sunday, June 20. And while Ambassador Annenberg shunned the limelight, preferring to have media attention focused on the schools themselves, Peddie was thrust into the public eye as the happiest, proudest school in the country.

In one moment, Peddie leaped from an unranked position on the list of independent school endowments to about fifth highest in the country. According to the November, 1992 data compiled by the Council for the Advancement and Support of Education, only Andover, St. Paul's, Exeter and Albuquerque Academy have larger endowments than Peddie.

It was the third time in the school's history that the nation's most generous philanthropist had given the largest gift ever to a secondary school. In 1967, Ambassador Annenberg made a \$2 million challenge grant to encourage other alumni giving, and in 1983 pledged a \$12 million gift.

In addition, since then he has made three other gifts totaling \$27.8 million, including the new Annenberg Library dedicated May 15.

Also announced June 20th were donations of \$120 million each to communications programs at the University of Pennsylvania and the University of Southern California, and \$25 million to Harvard University.

The unprecedented Peddie gift is restricted to endowing the scholarship program and general operations of the school. No part of it may be used to fund new buildings or other capital improvements. The ambassador has required that \$3 million of the interest income be used each year for scholarships. Since the school now spends about \$1.5 million on scholarships each school year, the Annenberg gift means the school's aid program will effectively double.

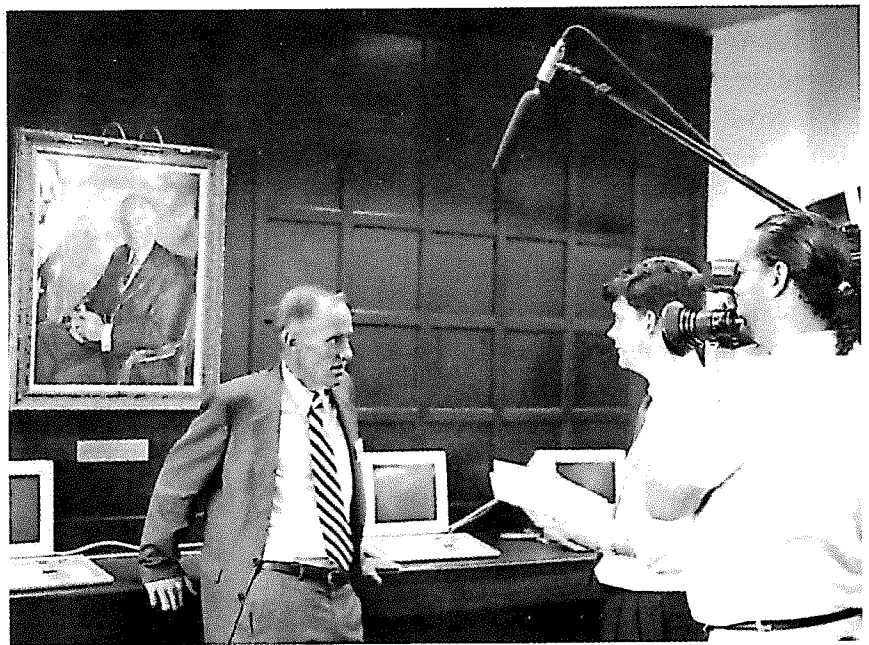
With 28% of the 480 students now enrolled at Peddie receiving some scholarship assistance, Headmaster Thomas DeGray expects more than half of students attending in the near future to receive financial aid.

The Annenberg endowment will give the school the resources to be "a first-class school for the common man," said Henry Christensen III '62, vice-chairman of the board of trustees.

The headmaster, too, stressed this same point. "At a time when educational institutions are basing many of their admissions decisions on an applicant's ability to pay, and many middle-income families are being denied access to independent school education, the Peddie School is committed to providing a superior education to all qualified and deserving students. Due to Ambassador Annenberg's vision and generosity, many more middle-class families, who previously could not receive financial aid, will find a Peddie education within their grasp," Mr. DeGray said.

Besides allowing an expansion of financial aid, the head also said income from the new endowment would be used to implement the forthcoming "Annenberg Plan," a pilot program of inter-disciplinary study which is expected to be completed next fall and introduced in September, 1994.

Also, the income will be used to improve faculty salaries, which DeGray said now are about 10 percent below the median of American independent schools. He has said within three years he wants to have Peddie salaries above the median and,



Asbury Park Press reporter John Hassell interviews Headmaster DeGray beneath the library portrait of Ambassador Annenberg.

by the year 2000, to have them "commensurate with other secondary schools with a similar endowment."

Chairman of the Board of Trustees Finn M.W. Caspersen was expansive in his gratitude on behalf of the school. "This gift is the jewel in the crown of Ambassador Annenberg's lifetime of giving," he said. "It will anchor all facets of a Peddie education: a dedicated faculty, innovative programs, state-of-the-art facilities and a diverse student body. Thanks to Ambassador Annenberg's unparalleled generosity, the future of Peddie is incredibly bright. This gift will allow us the opportunity and responsibility to lead secondary education in this country."

The entire \$100 million will be available to the school by the end of 1993. While the 1993-94 spending program already has been approved, income from the new endowment will permit some upward adjustment in spending for scholarship aid and perhaps some other operational expenses, according to Business Manager Charles Galbraith.

On June 20th the story was major news around the country, and in foreign countries as well. The following day at Peddie, news agencies and broadcast outlets were everywhere, interviewing the headmaster, trustees and more than a dozen students who had been asked to come back from vacation to respond to questions. Ause Dyer '95, a scholarship student from Newark, became an instant celebrity on the CBS national television news, and at one point Monday four separate camera crews were quizzing different groups in and around Annenberg Hall (since last year the new name for Memorial Hall.)

Most of the media asked students how the gift might affect them. The consensus response was that it would not change the friendly atmosphere they enjoy at Peddie, but would enable many more students with desire and potential to have the same chance they have to obtain a superior education.

At a 1 p.m. news conference Monday, the new Annenberg Library was rearranged to accommodate a variety of networks and reporters from a wide range of newspapers. Brief statements were made by school officials, who later responded to questions. Among the questions raised:

— Will the gift permit reconstruction of a new ice hockey rink? (No, said Headmaster DeGray, because the money may

not be used for such capital improvements.)

— Will this mean the school will have a "need blind" admissions policy? (Yes, said Director of Admissions Peter Quinn, but that does not represent any change in the present policy. Already, he said, Peddie accepts students without considering their ability to pay. What the gift *will* mean is that Peddie now can afford to enroll many more students with limited resources. In addition, Mr. DeGray said the merit scholarship program may be expanded in some way.)

— Will the school be renamed for Mr. Annenberg? (No, said Mr. DeGray, "Mr.

Annenberg is proud that he attended the Peddie School, and is not the sort of man who wants to see his name all over the place.")

— What does Peddie look for in a student? ("Excitement, curiosity and character," said Peter Quinn, stressing a point made repeatedly by the headmaster that Peddie does not want to become a school that accepts only academically gifted students.)

Meanwhile, the national news media also contacted Ambassador Annenberg for additional comment. In a variety of interviews he was reported to have said this gift should not be interpreted as a "last hurrah" or the final act in a lifetime of giving.

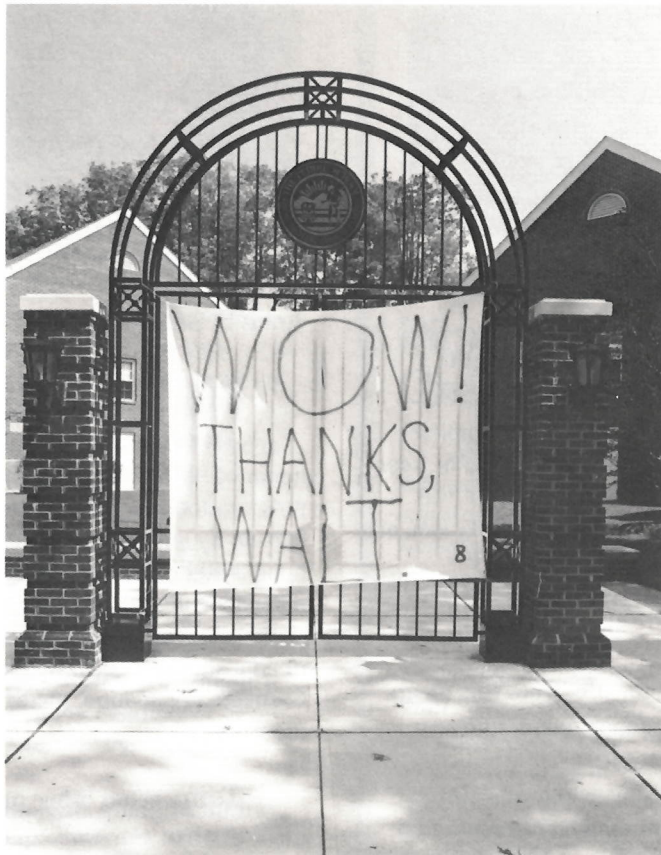
*The Los Angeles Times* quoted him as saying, "I expect to be around for a while and I want to be as constructive as I can."

The Ambassador told *The Wall Street Journal* he plans to distribute about 90 percent of the assets of his family foundation

(estimated at \$1.2 billion after this gift) in his lifetime. He has decided to focus his giving on early education — preschool, elementary and secondary grades. "I want to know where it's going, and I want it to go to places I believe are important and necessary, primarily for the youth of our country," he said.

Another theme stressed by the Ambassador was a hope that his gifts would stimulate others to do the same. He said: "It's a critical time for schools. Those who can afford to do so should give to all schools."

He told *The Chronicle of Higher Education* individuals and foundations should work more diligently. Don't you think others should be doing more, he asked, "if they're in a position to do so? ... education is undoubtedly the key to the future of our country. Period."



A sign posted on the Class of 1942 Gate the day after the \$100,000,000 gift announcement spoke for many.