

Excerpted Minutes from the March 10, 2009 Meeting
of the Budget Steering Committee

Present: Seth Allen, David Clay, Nancy Combs, Kathryn Jacobson, John Kalkbrenner, Leslie Gregg-Jolly, Mickey Munley, Russell Osgood, Susan Schoen, Kathleen Skerrett, Paula Smith, Marci Sortor, Karen Voss, Greg Wallace, Emily Wax, and Cyrus Witthaus.

Marci Sortor opened the meeting at 7:34 a.m. central time.

Opening Remarks

President Osgood announced that he was composing another letter to the campus community in regard to the economic climate. He invited any member of the committee who wishes, to read and comment on it before it is distributed. Discussion ensued.

Approval of the Minutes

The minutes from the January 12, 2009 Budget Steering Committee meeting were approved as written.

FY 2010 Budget Planning

Vice-President Sortor reported that the general view expressed by the Board at its last meeting with respect to the FY2010 budget development and management was quite positive. She and President Osgood described the Trustees' comments as interested and well-measured and an affirmation of the work of administration and faculty in this process. Karen Voss reported on the FY09 budget variance, which currently is showing a surplus. She attributed this in part to the higher revenues realized due to the higher enrollment than what was projected, but also to the decreasing spending levels—due to the diligence of current budget managers and other members of the staff. She and Marci encouraged managers to continue to be prudent as the fiscal year winds down. Marci Sortor also reminded the Committee of the recent temporary change in the Board policy regarding surpluses which authorizes any surplus at the end of the fiscal year to be transferred into the capital reserve. A discussion ensued concerning the importance of the creation of a “cushion” of cash reserves as it will help alleviate any unforeseen negative impacts to the FY2011 budget.

The discussion continued with regard to the assumptions contemplated in planning for next year's budget, including a substantial increase in the financial aid budget; a modest decrease in gift and grant revenue; a modest decrease in endowment spending; and very modest salary increases. Additionally, Ms. Voss explained the campus enrollment and off-campus study numbers being modeled for next year.

Ms. Sortor next asked for brief reports from groups investigating further possible budget reductions in various areas/programs. John Kalkbrenner reported that his subcommittee reviewed data with regard to the various staff positions on campus and attempted to consider cost-savings in terms of hours worked per week, length of work days, and other similar measures. Karen Voss reported that the subcommittee of which she was a part reviewed the board policies of some of our peers and discovered Grinnell was one of a very few institution offering a 21 meal plan. Her committee studied the cost savings implied by reducing the meals offered in our plans. Finally, Leslie Gregg-Jolly reported on the academic centers and the co-curricular programs for which her group weighed cost saving possibilities. She reported healthy reductions in next year's budgets for the academic centers, having projected less spending on outside speakers, improved coordination between center programming, and fewer opportunities for funding events tangentially related to center activities. Center programming will also be supplemented by monies from the Mellon EKI grant.

The meeting was adjourned at 8:29 a.m.

Respectfully submitted,

Susan M. Schoen

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