

Full Minutes from the October 10, 2008 Meeting
of the Budget Steering Committee

Present: Seth Allen, Nancy Combs, Travis Greene, Kathryn Jacobson, John Kalkbrenner, Leslie Gregg-Jolly, Alisha Mehta, Mickey Munley, Russell Osgood, Mark Schneider, Susan Schoen, Kathleen Skerrett, Paula Smith, Marci Sortor, Karen Voss, Greg Wallace, and Emily Wax.

Marci Sortor called the meeting to order at 3:34 p.m. central time.

Minutes

The Committee approved the minutes of the meeting of May 13, 2008. She directed the Committee to the budget planning schedule for 2008-09 and stated that the departmental budget requests had been distributed with a deadline for return of October 20.

FY2008 Budget Variance

Karen Voss, Associate Treasurer, provided an overview of the budget variance from the FY 2008 budget. The College closed the fiscal year with a surplus of just over \$1 million which included \$500,000 in unused contingency funds. These results were consistent with the earlier projections and were in large part due to positive net tuition revenues, increased board plan participation, and lower than anticipated utility costs. The increased revenue was due to larger numbers than budgeted of enrolled students, more full-pay new students, and a larger than anticipated percentage of students participating in a board meal plan. Discussion ensued.

FY2009 Budget Update and FY2010 Budget Planning

Russell Osgood reported on the recent Board of Trustees' meeting. He stated that although the current volatile economy influenced much of the financial discussions at the meeting, there was no movement among the Trustees to change any of the current investment policies or strategies. Marci Sortor stated that it is crucial for budget managers to remain prudent with respect to their budgets and to try hard to return more of the budget to the endowment at the end of this fiscal year. Russell Osgood noted that the College will remain cautious budgetarily by delaying discretionary capital expenditures; not immediately filling all vacant staff positions; not adding any new positions, and putting a hold on planned capital projects. Discussion ensued. In her discussion of planning for next year's budget, Ms. Sortor advised managers to prioritize programmatic items and other areas of departmental expense and think about those things that are more essential as budgets are proposed. President Osgood emphasized that any new initiatives underway which are proving to be successful should and will continue. Specific areas for which funding will most likely continue are in marketing, campus internationalization, and strategic plan initiatives, including new faculty appointments under the Expanding Knowledge Initiative. It was also noted that the discussion at the Board meeting included assurance from the Trustees that there will be no impairment of the student financial aid budget if additional funds are necessary this year to assist students with extenuating financial needs.

Finally, the Committee was informed of the recent decision to remove Kenyon College from the College's peer list of schools and replace it with Pomona College, whose budget structure is similar to Grinnell's and who has historically been willing to exchange useful data when requested.

The meeting was adjourned at 4:27 p.m.

Submitted by,

Susan M. Schoen