

Budget Steering Committee Minutes for the January 15, 2010 meeting

Present: Seth Allen, Steve Andrews, Nancy Combs, Houston Dougharty, Leslie Gregg-Jolly, Jim Mulholland, Mickey Munley, Russell Osgood, Mark Schneider, Kathleen Skerrett, Marci Sortor, Karen Voss

Marci Sortor called the meeting to order at 8:05 a.m. She began by thanking Committee members for their work in helping the College reach a balanced budget proposal.

FY 2011 Budget Proposal

The Committee discussed the FY '11 budget and budget report, which will be submitted to the Board of Trustees at the February Board meeting. Discussion of the budget focused on,

1. Tuition and fees, which will be increased by 3% for FY '11. Discussion of net comprehensive fee revenues included the fact that in FY '11 all four years will be at the upwardly adjusted tuition; increases as a consequence in rolling in successive classes will end, and revenues in out years may also be affected by returning to the on-campus enrollment goal of 1,500. Discussion of peer comprehensive fee data for FY '10 focused both on Grinnell's relative position (last), but also on the fact that we must consider its place in light of our significant discount rate (which diminishes the net revenue);
2. Endowment revenues decreasing by 5%;
3. Non-salary expenditures holding basically flat (academic expenditures at -.7% and non-academic at 1.2%);
4. Salary pool of 2.5%;
5. Headcount has been reduced slightly (7 FTE) by attrition from FY '09 to the present; we need to continue to press down gently on this further; and
6. \$0 allocation to the contingency fund in light of the substantial surplus we carry over from FY '09 and the likelihood that we will not utilize this year's contingency, with a corresponding increase in Institutional Support to accommodate as yet unknown presidential transition costs and other unforeseen needs in FY '11.

Karen Voss expressed her confidence in the FY '11 budget.

Topics of likely discussion by the Budget Committee of the Board of Trustees over the spring semester include the advisability of setting a policy regarding comprehensive fee increases and the establishment of a new kind of contingency fund.

The meeting adjourned at 8:35 a.m. Respectfully submitted,

Marci Sortor
Vice president for Institutional Planning
Professor of History