

**St. Olaf College
Budget Advisory Committee Minutes
October 19, 2016 ~ 8:00am-9:00am
Tomson Hall 200**

Members Present:

Cheri Floren	Jan Hanson	Michael Kyle
Steve Lindley	Matt Richey	Mike Goodson
Evan Lebo	Steve Freedberg	

Members Absent:

Marci Sortor

Staff Present:

Angie Mathews Anita Aase

CALL TO ORDER: Meeting called to order by Hanson at 8:02 am. Quorum present.

APPROVAL OF MINUTES: Minutes will not formally be approved but will be provided on the shared drive for all to review.

DISCUSSION AND ACTION ITEMS:

All members were introduced.

Topic 1: FY15/16 Budget-to-actual results

Mathews reported the college's revenues are highly tuition dependent and the endowment is also a large part of revenue. The net revenue for the year came in \$1.5M under budget. This was largely because health expenses were over budget by \$1.4M. Legal expenses were also over budget by \$200K, restricted gifts came in under budget, while other revenues exceeded budget. From an unrestricted standpoint, the college was right on budget, because unrestricted gifts exceeded budget. Mathews explained that restricted gifts are largely donor funds given for a specific purpose. Unrestricted gifts are typically used for operating expenses. The majority of expenses are academic related and the bulk of the college's expenses are wages and benefits.

Topic 2: FY16/17 Approved budget

The FY16/17 was approved by the Board of Regents earlier this month. This budget is balanced with a small contingency of \$500,000. Net tuition with room & board is \$88.6M. Our enrollment goal is 785 first year students each year and our tenth day enrollment was 2990. Mathews and Hanson are meeting with each VP to review and monitor budgets using monthly dashboards and the detailed quarterly reviews will continue. The college refinanced long-term debt in Summer 2015 and again in Summer 2016.

Topic 3: FY17/18 Preliminary budget assumptions and timeline

Mathews and Hanson have begun meetings with VPs to discuss their budgets. Kyle gave an overview of the financial aid discussion presented to the Board of Regents earlier this month. Key questions for consideration are 1) Who can afford St. Olaf?, and 2) Whom can St. Olaf afford? Policies, pricing and market conditions need to be considered in these discussions.

- 35% of our students are full pay
- Currently we have 275 international students
- 75 countries are represented
- Goal is to increase domestic multi-cultural enrollment by 1%
- As our tuition grows, our tuition discount grows
- Average net revenue is \$29,000/student
- The Board of Regents will approved FY17/18 tuition rate at the February 2017 meeting

Topic 4: Budget feedback from group members

- There needs to be a big picture discussion about student work: how this works, type of work, salary, etc.
- Salaries for staff and faculty should be addressed

Topic 5: Future meeting dates and times

Meetings should be scheduled every three weeks at 8:00am on Mondays, Wednesdays or Fridays through January, then once per month going forward.

Topic 6: Future business

- Budget Advisory Committee charter, including membership term lengths
- Capital budget

ANNOUNCEMENTS – None

ADJOURN - Meeting adjourned at 9:00am.

NEXT MEETING – tbd

Recorded by: Anita Aase