

Meeting Materials for President's Budget Advisory Committee

1 message

Peter Harvey <harvey@whitman.edu>

Wed, Apr 21, 2021 at 4:43 PM

To: Kathleen Murray <kmurray@whitman.edu>, Alzada Tipton <tiptona@whitman.edu>, "Balof, Barry" <balofba@whitman.edu>, "Biswas", 'Shampa' <biswassa@whitman.edu>, "Hoffman, Kurt" <hoffman@whitman.edu>, "Alker", 'Sharon' <alkersr@whitman.edu>, "Frew, Gillian" <frewga@whitman.edu>, "Giusti, Stacey" <giustisj@whitman.edu>, Charles Marr <marrce@whitman.edu>, Leslie Servine <servinl@whitman.edu>, Reily Wilken <wilkenrl@whitman.edu>, Olivia Lipson <lipsonow@whitman.edu>, Ronaldo Edwards <edwardsr@whitman.edu>, Sara Frey <freysl@whitman.edu>

Colleagues,

Attached are materials for our next meeting this Friday April 23 at 1:30pm. You already have a zoom invitation from Sara. Following are some observations on the materials and an outline of what we will be discussing:

1. There are three different five year budget model summaries attached. The first Model is what we were projecting prior to the FSR Review. The model projected a \$3.5 million deficit next year and \$1.7 million deficits each of the next two years if the college did not take additional steps.
2. The Second Model incorporates the FSR savings as recommended by the Cabinet and amended by the Trustees . See summary [here](#). This model shows a \$96,000 deficit next year. The deficit is because the first model had assumed an estimated \$300,000 in discretionary budget reductions yet to be determined.
3. The third model is the Cabinet's recommended balanced budget after incorporating four new budget requests, additional discretionary budget reductions identified by the Cabinet and one adjustment to the FSR savings. These additional adjustments are outlined in the final document labeled Request Form for 2021/2022 budget.

All models make the following assumptions:


- Increase tuition 11% to restore the 10% reduction from this fall
- Incoming Class of 425 fte with 50% discount rate
- Estimated 2021/2022 total enrollment of 1438 fte with 48.9% discount rate
- No increase to room and board rates
- Full restoration of salary reductions July 1, but no additional increase
- Full restoration of 10% retirement contribution July 1.
- Restoration of other discretionary budget reductions from September except for FSR reductions and \$289,000 discretionary budget reductions in attached report

The models do not reflect any changes to the recently announced change to the management of the bookstore. It is anticipated those changes will provide positive financial benefits after next year. Next year it is anticipated the financial impact to the college will be negligible due to the support being offered to the current employees during the transition.

As you can see the balanced budget model projects surplus after year one as enrollment begins to grow back. If these surpluses can be realized, this gives us the opportunity to begin making investments to strengthen the college going forward as envisioned in the FSR process.

See you Friday. Peter

Peter Harvey
Chief Financial Officer
Whitman College

2 attachments **President's Cabinet Report 3.15.21 - Whitman College.pdf**
89K **Budget Advisory Committee 4.23.21 (1).pdf**
144K

Financial Sustainability Review

The Cabinet has reviewed the final recommendations from our three financial sustainability review working groups, along with the feedback provided in multiple stakeholder open forums and the written feedback. We have discussed the range of possibilities for meeting our budgetary requirements and have identified \$3,626,000 in budget reductions and \$200,000 in additional revenue. We offer the following recommendations for your consideration:

- Faculty lines: Early on in its work, the faculty on the academic program working group prioritized not eliminating any entire programs or any tenured/tenure-track lines, and the working group developed a plan that accomplished both of those things. The Cabinet recommends moving forward with all recommendations from the faculty on the working group with four provisions:
 - .8 FTE non-tenure-track faculty in Chinese and .8 FTE non-tenure-track faculty in Japanese and departments must collaborate to provide at least 1 first-year course per year (savings from these changes will be realized after fiscal 2022)
 - .8 FTE non-tenure-track faculty in Dance and Theatre/Dance Department must continue to contribute 2 first-year courses per year (savings from this change will be realized after fiscal 2022)
 - Typically not more than 8 sections of first-year seminar per year taught by non-tenure-track faculty
 - We are recommending that current staffing levels be maintained in Classics and Environmental Humanities while those two programs conduct an internal review to determine their future needs; any requests in those areas will be considered at that time.

For next fiscal year there will be reductions of 6.9 FTE within non-tenure-track staffing in Studio Art (0.4), Asian and Middle Eastern Studies (0.4), Biology (0.5), French (0.6), Music (.6), Chemistry (1), Politics (1), Psychology (0.2), Religion (0.4), First Year Seminar (.8), and Theater and Dance (1). In addition there is a reduction due to tenure-track retirement in Japanese (.4). (total faculty salary savings of \$891,000 for the fiscal 2022 budget).

We also are not replacing Tenure-Track positions vacated due to faculty retirements in History, Japanese, and Philosophy. We will also reduce levels of staffing in Chinese, Japanese, and Theater and Dance as Non-Tenure Track Faculty contracts expire. We have several faculty members currently receiving payments under the College's Salary Continuation Plan; no new expenses will be incurred as these faculty phase out of the program, so the half salaries we are paying them now will be saved.

- Lower the life cycle breakeven from 23 years to 17 years to reduce expenses while still leaving enough time for the college to make adjustments in the future if this model proves inadequate. Peter Harvey is comfortable with this reduction for the foreseeable future. With 17 years of funding available, we will have time to adjust if we see that the lowered level begins to prove unsustainable. (saves \$456,000 annually)
- Staff lines:

- Eliminate 8 staff FTE primarily, though not exclusively through attrition. A table detailing specific reductions appears at the end of this document. (saves \$413,000 annually) [This is in addition to 23 staff positions eliminated last summer, totalling \$1,518,000 in additional savings.]
- Keep language assistants in Chinese and Japanese. Allow other foreign language departments to hire current students for language assistant function if they choose to do so. (saves \$159,000 annually)
- Take all suggested savings by maximizing use of restricted endowments. This choice does not cause any reductions to operating budgets. It merely takes advantage of available restricted endowments to fund those operating expenses. (total annual savings of \$363,000)
- Sabbatical leave policy:
 - Allow sabbatical leave applications after 5 years of teaching (saves \$355,000 annually)
 - 90% of annual salary for a one-semester leave; must teach 3 courses in the other semester
 - 70% of annual salary for a full-year leave
 - Retain current policy for sabbatical leaves for pre-tenure faculty

The current sabbatical policy allows all tenured or tenure-track faculty to take a sabbatical based on the following schedule:

1. A one-semester sabbatical at 100% of salary following four years of full-time teaching; or
2. A one-year sabbatical after four years of full-time teaching at 82% of salary; or
3. A one-semester sabbatical after four semesters of full-time teaching at 91% of annual salary; or
4. Non-tenured, tenure-track faculty will be eligible to apply for a one-year sabbatical after their first three years of full-time teaching at 90% salary. (Faculty members who opt for the one-year sabbatical after their first three years will next be eligible for a one-semester sabbatical at the beginning of their eighth year, the same as if they had taken the two one-semester sabbatical options.)
5. Non-tenured, tenure-track faculty will be eligible to take their second semester sabbatical during the fifth year of full-time teaching at 91% of annual salary.

The current policy is not only financially costly because of the number of sabbatical replacements required, it is also costly in terms of interruptions to the student experience. The proposals shared in the working group report suggested four-, five-, and six-year timelines for sabbatical eligibility. The Cabinet believes that the five-year timeline provides substantial savings and allows for greater continuity in the student experience while still valuing the teacher-scholar model.

- Reduce the amount of money budgeted for Off-Campus Study fees. This budget line was increased several years ago after an unusually large number of students participated in study abroad and then never reduced. We believe the lower number more accurately reflects the level of funding required in a normal year. If we had another year with an unusually high number of applications, we would use part of the enrollment contingency to fill the gap. Also, limit all students to one semester of off-campus study. This aligns with most of our peer institutions. Very few students request the opportunity to study abroad on two different programs in two

different semesters, and the faculty find that their rationale for making the request often is not pedagogically sound. Students with legitimate educational reasons to attend a single, full-year program would still be allowed to do that. (saves \$351,000 annually)

- Restructure financial aid for students living in off-campus housing by matching student housing and food budgets to state recommendations for off-campus students. This is a standard practice among our peer institutions. By using the state recommendations for high cost of living areas like Seattle, we are confident that budgets will be sufficient for students living in Walla Walla. (saves \$300,000 in the first year; \$600,000 annual savings after that)
- Suspend Crossroads Short-term Study Abroad program. (saves \$81,000 annually)
- Reduce the number of RA's in residence life by 5. There is a wide discrepancy between the number of students served by different RA positions. We believe we can create better equity across those positions and reduce the overall number without damaging the program. (saves \$69,000 annually)
- Reduce annual budget for faculty professional development to \$300,000. The Provost believes this level of funding will give her the flexibility to provide appropriate professional development funds to tenured and tenure-track faculty and senior non-tenure-track faculty. (saves \$58,000 annually)
 - No funding for Visiting Assistant Professors
- Replace older light fixtures with LED's beginning in Fouts. This not only provides savings but also aligns with our environmental sustainability goals. (would require a one-time expenditure of \$163,000, which we would fund from existing reserves; anticipated annual savings of \$46,000)
- Revise policy for compensating tenured and tenure-track faculty who teach more than 5 courses in a year. Some faculty have been paid $\frac{1}{3}$ of annual salary for each course overload, suggesting that their entire regular salary compensates them for teaching their regular 5 courses without acknowledging their research and service expectations. We would standardize overload compensation at \$10,000 per course. (saves \$40,000 annually)
- For varsity athletics, offer game guarantees to entice non-conference teams to travel to Walla Walla, reducing the number of away competitions for Whitman teams. Reduces travel costs and time away from classes. (saves \$26,000 annually)
- Work with a single vendor to purchase athletic uniforms and equipment. The only downside to this is that some coaches have existing relationships with different vendors. The upside is that it reduces cost, streamlines ordering and creates uniformity in Whitman athletic apparel. (saves \$18,000 annually)

The working groups generated a number of ideas that we considered and have decided not to pursue:

- We will not try to increase flexibility in financial aid gapping. We believe this would directly contradict our strategic priority around access and affordability.
- We will not limit travel party size for athletic teams.
- We will not try to use rollaway beds to house three student-athletes in each hotel room for away competitions. There is no guarantee that sufficient rollaway beds would be available, and we are unwilling to risk inconsistency in applying our one person per bed policy.

The suggested reductions are proposed for the fiscal 2022 budget. As indicated in the section on faculty lines, we will see additional savings there in the coming years. The working groups also identified other areas for further study where additional savings could be found for future years, and the Cabinet will continue to review those. The Cabinet has committed to reviewing discretionary budgets annually and working to distinguish truly discretionary funds from necessary operating expenses.

There are two specific proposals for increased revenue:

- Increase the Whitman Fund goal by \$200,000
- Charge students for overloads above 18 credits (We believe this is an appropriate policy change that will better align us with our peers and modestly increase revenues.)

Working groups also considered ideas that could generate enrollment and/or revenue growth in the future, including a number of potentially interesting new academic areas. The academic programs will require further study and action by the faculty. Other ideas will be studied by appropriate campus constituent groups.

The long-term success of this effort will require ongoing attention to areas for improved efficiencies as well as opportunities for growing enrollment and/or revenue. The Cabinet is committed to maintaining its focus on those areas.

Next Fiscal Year Proposed Reductions:

Academic staffing (faculty lines)	\$891,245
Life Cycle Program	\$456,000
Administrative staffing (staff lines)	\$413,000
Language assistants	\$159,000
Maximize restricted endowments	\$363,000
Sabbatical leave policy change	\$355,000
Off Campus Studies fees	\$351,000
Financial Aid for off-campus housing	\$300,000
Suspend Crossroads program	\$81,000
Reduction in RA staff	\$69,000
Faculty professional development	\$58,000
Fouts LED upgrade	\$46,000
Course overloads reduction	\$40,000
Reduce athletics travel	\$26,000
Athletics Purchasing	\$18,000
Grow Annual Fund	\$200,000
Grand Total	\$3,826,000

Staff Reductions for fiscal year 2021-2022:

Annual Giving

Tech Services

Admission and Communications

Custodial

Maintenance

Conferences & Events

Sheehan Gallery

Residence Life

Language Lab

Writing Center

Art

Whitman College Budget Model

	20/21 Approved	% Total	21/22 Estimated	% Total	22/23 Estimated	% Total	23/24 Estimated	% Total	24/25 Estimated	% Total	25/26 Estimated	% Total
CURRENT FUND REVENUES												
ASSUMPTIONS												
Tuition Charge	50,000		55,560		57,230		58,950		60,720		62,540	
Annual Full-Time Paid Equivalent Students	1,287		1,438		1,440		1,436		1,509		1,513	
Tuition Charge Increase	4.00%		0.00%		3.00%		3.00%		3.00%		3.00%	
Tuition Discount Rate	45.51%		48.90%		49.88%		50.48%		50.06%		50.06%	
Endowment Payout Rate	5.00%		5.00%		5.00%		5.00%		5.00%		5.00%	
Assumed Endowment Growth	3.98% Actual		6.54% Actual		7.00%		7.00%		7.00%		7.00%	
Room Rate Change	1.00%		0.00%		103.00%		103.00%		103.00%		103.00%	
Board Rate Change	3.00%		0.00%		103.00%		103.00%		103.00%		103.00%	
TUITION & FEES	64,350,000		79,918,651		82,414,971		84,666,749		91,629,406		94,608,374	
UNRESTRICTED INSTITUTIONAL AID	(19,487,504)	66.5%	(28,886,188)	73.9%	(30,626,199)	74.5%	(31,957,972)	74.8%	(34,782,912)	75.8%	(36,069,720)	76.2%
RESTRICTED INSTITUTIONAL AID	(9,798,816)	33.5%	(10,191,380)	26.1%	(10,481,946)	25.5%	(10,785,970)	25.2%	(11,088,670)	24.2%	(11,289,458)	23.8%
SUBTOTAL INSTITUTIONAL AID	(29,286,320)		(39,077,568)		(41,108,145)		(42,743,942)		(45,871,582)		(47,359,178)	
NET TUITION REVENUE	35,063,680	55%	40,841,083	56%	41,306,826	55%	41,922,807	55%	45,757,824	57%	47,249,196	57%
INSTRUCTIONAL FEES	376,236	1%	376,236	1%	376,236	1%	376,236	0%	376,236	0%	376,236	0%
ANNUAL FUND GIFTS	2,300,000	4%	2,300,000	3%	2,300,000	3%	2,400,000	3%	2,500,000	3%	2,500,000	3%
FEDERAL FINANCIAL AID	330,000	1%	330,000	0%	330,000	0%	330,000	0%	330,000	0%	330,000	0%
ENDOWMENT INCOME	26,645,061	42%	27,387,965	37%	28,168,822	38%	28,985,844	38%	29,799,309	37%	30,338,899	37%
INVESTMENT INCOME	200,000	0%	25,000	0%	25,000	0%	25,000	0%	25,000	0%	25,000	0%
MISCELLANEOUS INCOME	150,000	0%	150,000	0%	150,000	0%	150,000	0%	150,000	0%	150,000	0%
ASWC INCOME	562,629	1%	579,508	1%	596,893	1%	614,800	1%	633,244	1%	652,241	1%
SPONSORED PROGRAMS	425,000	1%	425,000	1%	425,000	1%	425,000	1%	425,000	1%	425,000	1%
AUXILIARY TRANSFER	(2,225,799)	-3%	940,000	1%	940,000	1%	940,000	1%	940,000	1%	940,000	1%
SUBTOTAL EDUCATION & GENERAL	63,826,807	100%	73,354,792	100%	74,618,777	100%	76,169,687	100%	80,936,613	100%	82,986,572	100%
RESIDENCE HALLS	304,000	36%	4,436,013	36%	4,569,093	36%	4,706,166	36%	4,847,351	36%	4,992,772	36%
FOOD SERVICE	0	41%	5,035,031	41%	5,186,082	41%	5,341,665	41%	5,501,915	41%	5,666,972	41%
BOOKSTORE	564,000	48%	846,360	8%	850,278	8%	854,274	7%	858,350	7%	862,508	7%
OTHER AUXILIARY	300,000	26%	715,244	6%	720,480	6%	725,820	6%	731,267	6%	736,823	6%
SUBTOTAL AUXILIARY	1,168,000	100%	11,032,648	100%	11,325,933	200%	11,627,925	300%	11,938,883	400%	12,259,075	500%
TOTAL CURRENT FUND REVENUES	64,994,807		84,387,440		85,944,710		87,797,612		92,875,496		95,245,647	

**Whitman College
Budget Model**

	20/21 Approved	% Total	21/22 Estimated	% Total	22/23 Estimated	% Total	23/24 Estimated	% Total	24/25 Estimated	% Total	25/26 Estimated	% Total
CURRENT FUND EXPENSES												
ASSUMPTIONS												
Faculty Salary Change			Tiered reductions	0.00%		2.00%		2.00%		2.00%		2.00%
Staff Salary Change			Tiered reductions	0.00%		2.00%		2.00%		2.00%		2.00%
Fringe Benefit Rate - OPE		28.50%		37.00%		37.00%		37.00%		37.00%		37.00%
INSTRUCTION	24,842,563	39%	29,771,194	40%	28,591,373	39%	29,475,447	39%	30,095,239	39%	30,552,112	40%
ACADEMIC SUPPORT	8,833,074	14%	9,462,963	13%	9,604,394	13%	9,750,339	13%	9,897,571	13%	10,023,950	13%
SPONSORED PROGRAMS	441,691	1%	431,526	1%	431,712	1%	431,907	1%	432,101	1%	432,230	1%
STUDENT SERVICES	9,023,111	14%	10,950,983	15%	11,119,402	15%	11,292,080	15%	11,467,696	15%	11,636,888	15%
INSTITUTIONAL SUPPORT	10,637,580	17%	13,314,234	18%	13,517,780	18%	13,725,556	18%	13,937,333	18%	14,151,091	18%
PHYSICAL PLANT	9,490,787	15%	10,052,358	14%	10,094,959	14%	10,167,366	14%	10,241,114	13%	10,314,773	13%
FEDERAL FINANCIAL AID	180,000	0%	180,000	0%	180,000	0%	180,000	0%	180,000	0%	180,000	0%
SUBTOTAL EDUCATION & GENERAL	63,448,807	100%	74,163,257	100%	73,539,620	100%	75,022,695	100%	76,251,054	100%	77,291,043	100%
RESIDENCE HALLS	304,000	26%	3,528,013	35%	3,633,853	35%	3,742,869	35%	3,855,155	36%	3,970,810	36%
FOOD SERVICE	0	0%	4,945,031	49%	5,093,382	49%	5,246,184	50%	5,403,569	50%	5,565,676	50%
BOOKSTORE	564,000	48%	841,360	8%	845,278	8%	849,274	8%	853,350	8%	857,508	8%
OTHER AUXILIARY	300,000	26%	715,244	7%	720,480	7%	725,820	7%	731,267	7%	736,823	7%
SUBTOTAL AUXILIARY	1,168,000	100%	10,029,648	100%	10,292,993	100%	10,564,147	100%	10,843,342	100%	11,130,817	100%
SUBTOTAL OPERATING EXPENSES	64,616,806		84,192,905		83,832,613		85,586,842		87,094,396		88,421,860	
CAMPUS REPLACEMENT RESERVE	0	0%	1,690,000	63%	1,768,060	63%	1,849,222	63%	1,933,458	64%	2,022,742	64%
AUXILIARY REPLACEMENT RESERVE	0	0%	1,003,000	37%	1,032,940	37%	1,063,778	37%	1,095,542	36%	1,128,258	36%
SUBTOTAL REPLACEMENT RESERVE	0	0%	2,693,000	100%	2,801,000	100%	2,913,000	100%	3,029,000	100%	3,151,000	100%
ENROLLMENT CONTINGENCY	1,348,983		1,021,000		1,033,000		1,048,000		1,144,000		1,181,000	
TOTAL CURRENT FUND EXPENSES	65,965,789		87,906,905		87,666,613		89,547,842		91,267,396		92,753,860	
NET SURPLUSES / (DEFICITS)	(970,983)		(3,519,465)		(1,721,903)		(1,750,230)		1,608,100		2,491,787	

Whitman College Budget Model

	20/21 Approved	% Total	21/22 Estimated	% Total	22/23 Estimated	% Total	23/24 Estimated	% Total	24/25 Estimated	% Total	25/26 Estimated	% Total
CURRENT FUND REVENUES												
ASSUMPTIONS												
Tuition Charge	50,000		55,560		57,230		58,950		60,720		62,540	
Annual Full-Time Paid Equivalent Students	1,287		1,438		1,440		1,436		1,509		1,513	
Tuition Charge Increase	4.00%		0.00%		3.00%		3.00%		3.00%		3.00%	
Tuition Discount Rate	45.51%		48.42%		49.88%		50.48%		50.06%		50.06%	
Endowment Payout Rate	5.00%		5.00%		5.00%		5.00%		5.00%		5.00%	
Assumed Endowment Growth	3.98% Actual		6.54% Actual		7.00%		7.00%		7.00%		7.00%	
Room Rate Change	1.00%		0.00%		103.00%		103.00%		103.00%		103.00%	
Board Rate Change	3.00%		0.00%		103.00%		103.00%		103.00%		103.00%	
TUITION & FEES	64,350,000		79,918,651		82,414,971		84,666,749		91,629,406		94,608,374	
UNRESTRICTED INSTITUTIONAL AID	(19,487,504)	66.5%	(28,586,188)	73.9%	(30,626,199)	74.5%	(31,957,972)	74.8%	(34,782,912)	75.8%	(36,069,720)	76.2%
RESTRICTED INSTITUTIONAL AID	(9,798,816)	33.5%	(10,110,380)	26.1%	(10,481,946)	25.5%	(10,785,970)	25.2%	(11,088,670)	24.2%	(11,289,458)	23.8%
SUBTOTAL INSTITUTIONAL AID	(29,286,320)		(38,696,568)		(41,108,145)		(42,743,942)		(45,871,582)		(47,359,178)	
NET TUITION REVENUE	35,063,680	55%	41,222,083	56%	41,306,826	55%	41,922,807	55%	45,757,824	56%	47,249,196	57%
INSTRUCTIONAL FEES	376,236	1%	376,236	1%	376,236	1%	376,236	0%	376,236	0%	376,236	0%
ANNUAL FUND GIFTS	2,300,000	4%	2,500,000	3%	2,500,000	3%	2,500,000	3%	2,500,000	3%	2,500,000	3%
FEDERAL FINANCIAL AID	330,000	1%	330,000	0%	330,000	0%	330,000	0%	330,000	0%	330,000	0%
ENDOWMENT INCOME	26,645,061	42%	27,387,965	37%	28,168,822	38%	28,985,844	38%	29,799,309	37%	30,338,899	37%
INVESTMENT INCOME	200,000	0%	25,000	0%	25,000	0%	25,000	0%	25,000	0%	25,000	0%
MISCELLANEOUS INCOME	150,000	0%	150,000	0%	150,000	0%	150,000	0%	150,000	0%	150,000	0%
ASWC INCOME	562,629	1%	579,508	1%	596,893	1%	614,800	1%	633,244	1%	652,241	1%
SPONSORED PROGRAMS	425,000	1%	425,000	1%	425,000	1%	425,000	1%	425,000	1%	425,000	1%
AUXILIARY TRANSFER	-2,225,799	-3%	1,044,620	1%	1,044,620	1%	1,044,620	1%	1,044,620	1%	1,044,620	1%
SUBTOTAL EDUCATION & GENERAL	63,826,807	100%	74,040,412	100%	74,923,397	100%	76,374,307	100%	81,041,233	100%	83,091,192	100%
RESIDENCE HALLS	304,000	36%	4,436,013	36%	4,569,093	36%	4,706,166	36%	4,847,351	36%	4,992,772	36%
FOOD SERVICE	0	41%	5,035,031	41%	5,186,082	41%	5,341,665	41%	5,501,915	41%	5,666,972	41%
BOOKSTORE	564,000	48%	846,360	8%	850,278	8%	854,274	7%	858,350	7%	862,508	7%
OTHER AUXILIARY	300,000	26%	715,244	6%	720,480	6%	725,820	6%	731,267	6%	736,823	6%
SUBTOTAL AUXILIARY	1,168,000	100%	11,032,648	100%	11,325,933	200%	11,627,925	300%	11,938,883	400%	12,259,075	500%
TOTAL CURRENT FUND REVENUES	64,994,807		85,073,060		86,249,330		88,002,232		92,980,116		95,350,267	

**Whitman College
Budget Model**

	20/21 Approved	% Total	21/22 Estimated	% Total	22/23 Estimated	% Total	23/24 Estimated	% Total	24/25 Estimated	% Total	25/26 Estimated	% Total
CURRENT FUND EXPENSES												
ASSUMPTIONS												
Faculty Salary Change			Tiered reductions	0.00%		2.00%		2.00%		2.00%		2.00%
Staff Salary Change			Tiered reductions	0.00%		2.00%		2.00%		2.00%		2.00%
Fringe Benefit Rate - OPE		28.50%		37.00%		37.00%		37.00%		37.00%		37.00%
INSTRUCTION	24,842,563	39%	28,131,576	39%	26,770,009	38%	27,100,079	38%	27,640,866	38%	28,048,540	38%
ACADEMIC SUPPORT	8,833,074	14%	9,000,143	13%	9,136,423	13%	9,277,114	13%	9,418,986	13%	9,539,899	13%
SPONSORED PROGRAMS	441,691	1%	431,526	1%	431,712	1%	431,907	1%	432,101	1%	432,230	1%
STUDENT SERVICES	9,023,111	14%	10,882,545	15%	11,042,019	16%	11,205,712	16%	11,372,304	16%	11,532,431	16%
INSTITUTIONAL SUPPORT	10,637,580	17%	13,364,944	19%	13,569,175	19%	13,777,650	19%	13,990,139	19%	14,204,624	19%
PHYSICAL PLANT	9,490,787	15%	9,881,068	14%	9,921,587	14%	9,991,869	14%	10,063,451	14%	10,134,900	14%
FEDERAL FINANCIAL AID	180,000	0%	180,000	0%	180,000	0%	180,000	0%	180,000	0%	180,000	0%
SUBTOTAL EDUCATION & GENERAL	63,448,807	100%	71,871,801	100%	71,050,924	100%	71,964,331	100%	73,097,848	100%	74,072,624	100%
RESIDENCE HALLS	304,000	26%	3,528,013	35%	3,633,853	35%	3,742,869	35%	3,855,155	36%	3,970,810	36%
FOOD SERVICE	0	0%	4,945,031	49%	5,093,382	49%	5,246,184	50%	5,403,569	50%	5,565,676	50%
BOOKSTORE	564,000	48%	841,360	8%	845,278	8%	849,274	8%	853,350	8%	857,508	8%
OTHER AUXILIARY	300,000	26%	715,244	7%	720,480	7%	725,820	7%	731,267	7%	736,823	7%
SUBTOTAL AUXILIARY	1,168,000	100%	10,029,648	100%	10,292,993	100%	10,564,147	100%	10,843,342	100%	11,130,817	100%
SUBTOTAL OPERATING EXPENSES	64,616,806		81,901,450		81,343,917		82,528,478		83,941,189		85,203,441	
CAMPUS REPLACEMENT RESERVE	0	0%	1,234,000	55%	1,293,060	56%	1,355,222	56%	1,420,458	56%	1,488,742	57%
AUXILIARY REPLACEMENT RESERVE	0	0%	1,003,000	45%	1,032,940	44%	1,063,778	44%	1,095,542	44%	1,128,258	43%
SUBTOTAL REPLACEMENT RESERVE	0	0%	2,237,000	100%	2,326,000	100%	2,419,000	100%	2,516,000	100%	2,617,000	100%
ENROLLMENT CONTINGENCY	1,348,983		1,031,000		1,033,000		1,048,000		1,144,000		1,181,000	
TOTAL CURRENT FUND EXPENSES	65,965,789		85,169,450		84,702,917		85,995,478		87,601,189		89,001,441	
NET SURPLUSES / (DEFICITS)	(970,983)		(96,389)		1,546,413		2,006,754		5,378,926		6,348,826	

Whitman College Budget Model

	20/21 Approved	% Total	21/22 Estimated	% Total	22/23 Estimated	% Total	23/24 Estimated	% Total	24/25 Estimated	% Total	25/26 Estimated	% Total
CURRENT FUND REVENUES												
ASSUMPTIONS												
Tuition Charge	50,000		55,560		57,230		58,950		60,720		62,540	
Annual Full-Time Paid Equivalent Students	1,287		1,438		1,440		1,436		1,509		1,513	
Tuition Charge Increase	4.00%		0.00%		3.00%		3.00%		3.00%		3.00%	
Tuition Discount Rate	45.51%		48.42%		49.88%		50.48%		50.06%		50.06%	
Endowment Payout Rate	5.00%		5.00%		5.00%		5.00%		5.00%		5.00%	
Assumed Endowment Growth	3.98% Actual		6.54% Actual		7.00%		7.00%		7.00%		7.00%	
Room Rate Change	1.00%		0.00%		103.00%		103.00%		103.00%		103.00%	
Board Rate Change	3.00%		0.00%		103.00%		103.00%		103.00%		103.00%	
TUITION & FEES	64,350,000		79,918,651		82,414,971		84,666,749		91,629,406		94,608,374	
UNRESTRICTED INSTITUTIONAL AID	(19,487,504)	66.5%	(28,586,188)	73.9%	(30,626,199)	74.5%	(31,957,972)	74.8%	(34,782,912)	75.8%	(36,069,720)	76.2%
RESTRICTED INSTITUTIONAL AID	(9,798,816)	33.5%	(10,110,380)	26.1%	(10,481,946)	25.5%	(10,785,970)	25.2%	(11,088,670)	24.2%	(11,289,458)	23.8%
SUBTOTAL INSTITUTIONAL AID	(29,286,320)		(38,696,568)		(41,108,145)		(42,743,942)		(45,871,582)		(47,359,178)	
NET TUITION REVENUE	35,063,680	55%	41,222,083	56%	41,306,826	55%	41,922,807	55%	45,757,824	56%	47,249,196	57%
INSTRUCTIONAL FEES	376,236	1%	376,236	1%	376,236	1%	376,236	0%	376,236	0%	376,236	0%
ANNUAL FUND GIFTS	2,300,000	4%	2,500,000	3%	2,500,000	3%	2,500,000	3%	2,500,000	3%	2,500,000	3%
FEDERAL FINANCIAL AID	330,000	1%	330,000	0%	330,000	0%	330,000	0%	330,000	0%	330,000	0%
ENDOWMENT INCOME	26,645,061	42%	27,387,965	37%	28,168,822	38%	28,985,844	38%	29,799,309	37%	30,338,899	37%
INVESTMENT INCOME	200,000	0%	25,000	0%	25,000	0%	25,000	0%	25,000	0%	25,000	0%
MISCELLANEOUS INCOME	150,000	0%	150,000	0%	150,000	0%	150,000	0%	150,000	0%	150,000	0%
ASWC INCOME	562,629	1%	579,508	1%	596,893	1%	614,800	1%	633,244	1%	652,241	1%
SPONSORED PROGRAMS	425,000	1%	425,000	1%	425,000	1%	425,000	1%	425,000	1%	425,000	1%
AUXILIARY TRANSFER	-2,225,799	-3%	1,044,620	1%	1,044,620	1%	1,044,620	1%	1,044,620	1%	1,044,620	1%
SUBTOTAL EDUCATION & GENERAL	63,826,807	100%	74,040,412	100%	74,923,397	100%	76,374,307	100%	81,041,233	100%	83,091,192	100%
RESIDENCE HALLS	304,000	36%	4,436,013	36%	4,569,093	36%	4,706,166	36%	4,847,351	36%	4,992,772	36%
FOOD SERVICE	0	41%	5,035,031	41%	5,186,082	41%	5,341,665	41%	5,501,915	41%	5,666,972	41%
BOOKSTORE	564,000	48%	846,360	8%	850,278	8%	854,274	7%	858,350	7%	862,508	7%
OTHER AUXILIARY	300,000	26%	715,244	6%	720,480	6%	725,820	6%	731,267	6%	736,823	6%
SUBTOTAL AUXILIARY	1,168,000	100%	11,032,648	100%	11,325,933	200%	11,627,925	300%	11,938,883	400%	12,259,075	500%
TOTAL CURRENT FUND REVENUES	64,994,807		85,073,060		86,249,330		88,002,232		92,980,116		95,350,267	

**Whitman College
Budget Model**

	20/21 Approved	% Total	21/22 Estimated	% Total	22/23 Estimated	% Total	23/24 Estimated	% Total	24/25 Estimated	% Total	25/26 Estimated	% Total
CURRENT FUND EXPENSES												
ASSUMPTIONS												
Faculty Salary Change			Tiered reductions	0.00%		2.00%		2.00%		2.00%		2.00%
Staff Salary Change			Tiered reductions	0.00%		2.00%		2.00%		2.00%		2.00%
Fringe Benefit Rate - OPE		28.50%		37.00%		37.00%		37.00%		37.00%		37.00%
INSTRUCTION	24,842,563	39%	28,003,276	39%	26,639,243	38%	26,966,798	38%	27,505,019	38%	27,910,076	38%
ACADEMIC SUPPORT	8,833,074	14%	8,954,070	12%	9,090,350	13%	9,231,041	13%	9,372,913	13%	9,493,826	13%
SPONSORED PROGRAMS	441,691	1%	431,526	1%	431,712	1%	431,907	1%	432,101	1%	432,230	1%
STUDENT SERVICES	9,023,111	14%	10,900,545	15%	11,060,019	16%	11,223,712	16%	11,390,304	16%	11,550,431	16%
INSTITUTIONAL SUPPORT	10,637,580	17%	13,308,928	19%	13,513,159	19%	13,721,634	19%	13,934,123	19%	14,148,608	19%
PHYSICAL PLANT	9,490,787	15%	9,997,068	14%	10,037,587	14%	10,107,869	14%	10,179,451	14%	10,250,900	14%
FEDERAL FINANCIAL AID	180,000	0%	180,000	0%	180,000	0%	180,000	0%	180,000	0%	180,000	0%
SUBTOTAL EDUCATION & GENERAL	63,448,807	100%	71,775,412	100%	70,952,069	100%	71,862,961	100%	72,993,912	100%	73,966,071	100%
RESIDENCE HALLS	304,000	26%	3,528,013	35%	3,633,853	35%	3,742,869	35%	3,855,155	36%	3,970,810	36%
FOOD SERVICE	0	0%	4,945,031	49%	5,093,382	49%	5,246,184	50%	5,403,569	50%	5,565,676	50%
BOOKSTORE	564,000	48%	841,360	8%	845,278	8%	849,274	8%	853,350	8%	857,508	8%
OTHER AUXILIARY	300,000	26%	715,244	7%	720,480	7%	725,820	7%	731,267	7%	736,823	7%
SUBTOTAL AUXILIARY	1,168,000	100%	10,029,648	100%	10,292,993	100%	10,564,147	100%	10,843,342	100%	11,130,817	100%
SUBTOTAL OPERATING EXPENSES	64,616,806		81,805,061		81,245,062		82,427,108		83,837,254		85,096,888	
CAMPUS REPLACEMENT RESERVE	0	0%	1,234,000	55%	1,293,060	56%	1,355,222	56%	1,420,458	56%	1,488,742	57%
AUXILIARY REPLACEMENT RESERVE	0	0%	1,003,000	45%	1,032,940	44%	1,063,778	44%	1,095,542	44%	1,128,258	43%
SUBTOTAL REPLACEMENT RESERVE	0	0%	2,237,000	100%	2,326,000	100%	2,419,000	100%	2,516,000	100%	2,617,000	100%
ENROLLMENT CONTINGENCY	1,348,983		1,031,000		1,033,000		1,048,000		1,144,000		1,181,000	
TOTAL CURRENT FUND EXPENSES	65,965,789		85,073,061		84,604,062		85,894,108		87,497,254		88,894,888	
NET SURPLUSES / (DEFICITS)	(970,983)		0		1,645,268		2,108,124		5,482,862		6,455,379	

Priority:
High A
Medium B
Low C

Summary of all requests

	Description of budget request (note here if one-time expense)	Department or budget name	Personnel costs without OPE	Non-personnel costs	Cabinet recommended amount	Account Number	Responsible staff person or position	Dept Priority	Cabinet Priority
	Total for all pages		(90,000.00)	(58,323.00)	(166,039.00)				
1	Increased Student Wages	Student Engagement Center		8,000.00	8,000.00	1-88-42-20869-5090	Kim Rolfe	A	A
2	Increased Student Wages	Counselling Center		30,000.00	15,000.00	1-89-42-30008-5090	Rae Chresfield	A	A
3	Increased Liability Insurance	Liability Insurance		65,000.00	62,284.00	1-00-59-40018-5090	Peter Harvey	A	A
4	Increased Property Insurance	Property Insurance		126,000.00	126,000.00	1-00-60-40096-5090	Peter Harvey	A	A
5	Misc Discretionary Budget Reductions	Multiple		(287,323.00)	(287,323.00)		Cabinet	A	A
6	Additional savings to change in Sabbatical	Instructional Salaries	(90,000.00)		(90,000.00)		Alzada Tipton	A	A

Memo or justification

1	Create new student worker position to facilitate work study eligible students getting jobs on campus, train departments on hiring workstudy eligible students, coordinate student job fair, create and lead student employment orientation; \$7,500 student wages and \$500 program expenses.
2	Create student wellness program to conduct outreach to students focused on identification of health issues, treatment options on campus, and education of students, faculty and staff.
3	Reflects increase from July 1, 2020. Increase for 2021 not known yet
4	Reflects increase from July 1, 2020. Increase for 2021 not known yet
5	Cabinet identified discretionary budget reductions in consultation with department heads in follow up to FSR recommendation
6	It was determined that the model used to estimate savings from the FSR changes to the sabbatical program did not accurately reflect the decisions made by the Cabinet and Trustees and there is some additional savings.