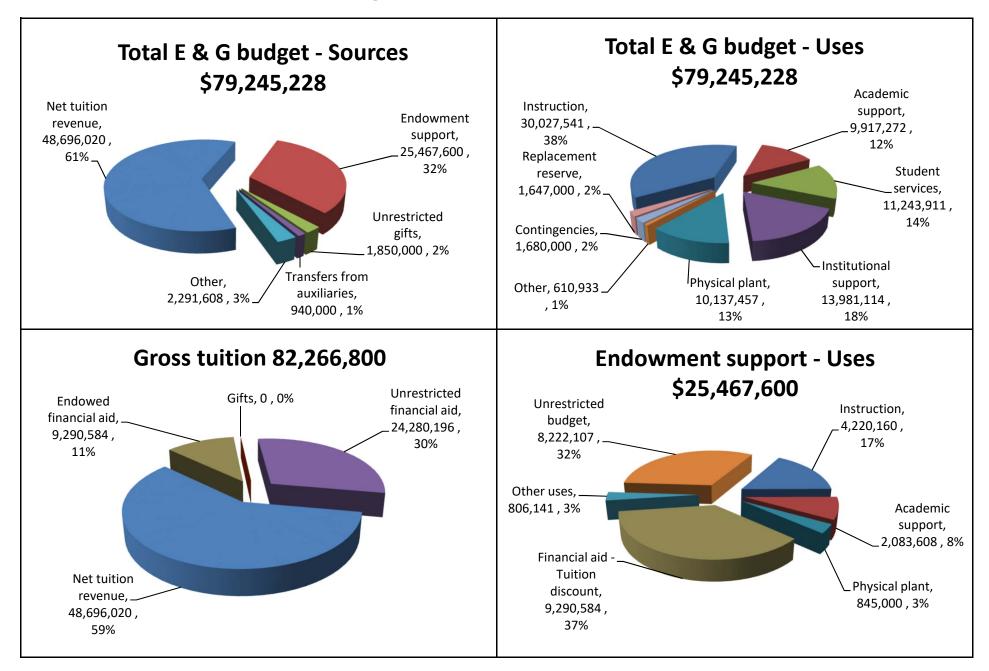
# Whitman College 2019-2020 Education and General budget



# Whitman College Budget Report

Dudget Kepolt	2019/20	
· 7	Approved	%
CURRENT FUND SOURCES	Budget	Total
CONNENT FORD SCONCES		
Full-time equivalent students	1,540	
Annual tuition charge	53,420	
Annual tuition increase	4.00%	
Discount rate	40.81%	
TUITION & FEES	82,266,800	×
LESS UNRESTRICTED FINANCIAL AID	(24,280,196)	
LESS RESTRICTED FINANCIAL AID	(9,290,584)	
SUBTOTAL INSTITUTIONAL AID	(33,570,780)	
NET TUITION REVENUE	48,696,020	61%
	402 204	4.07
INSTRUCTIONAL FEES	402,391	1%
ANNUAL FUND GIFTS	1,850,000	2%
FEDERAL FINANCIAL AID	330,000	0%
	25,467,600	32%
INVESTMENT INCOME	400,000	1%
MISCELLANEOUS INCOME	150,000	0%
ASWC FEES	584,217	1%
SPONSORED PROGRAMS	425,000	1%
AUXILIARY TRANSFER	940,000	1%
SUBTOTAL EDUCATION & GENERAL	79,245,228	100%
RESIDENCE HALLS	4,779,000	40%
FOOD SERVICE	5,407,500	45%
BOOKSTORE	939,363	43%
OTHER AUXILIARY	761,467	6%
SUBTOTAL AUXILIARY	11,887,330	100%
TOTAL CURRENT FUND SOURCES	91,132,558	10070
	01,102,000	

# Whitman College Budget Report

Dudgerneport	2019/20	
	Approved	%
CURRENT FUND USES	Budget	Total
		2
Faculty salary change	3.50%	
Staff salary change	4.50%	
Fringe benefit rate - OPE	39.00%	
INSTRUCTION	30,027,541	40%
ACADEMIC SUPPORT	9,917,272	13%
SPONSORED PROGRAMS	430,933	1%
STUDENT SERVICES	11,243,911	15%
INSTITUTIONAL SUPPORT	13,981,114	18%
PHYSICAL PLANT	10,137,457	13%
FEDERAL FINANCIAL AID	180,000	0%
SUBTOTAL EDUCATION & GENERAL	75,918,228	100%
	0	
RESIDENCE HALLS	4,019,000	36%
FOOD SERVICE	5,317,500	48%
BOOKSTORE	934,363	8%
OTHER AUXILIARY	761,467	7%
SUBTOTAL AUXILIARY	11,032,330	100%
SUBTOTAL OPERATING EXPENSES	86,950,558	
CAMPUS REPLACEMENT RESERVE	1,647,000	66%
AUXILIARY REPLACEMENT RESERVE	855,000	34%
SUBTOTAL REPLACEMENT RESERVE	2,502,000	100%
ENROLLMENT CONTINGENCY	1,680,000	
TOTAL CURRENT FUND USES	91,132,558	
NET SOURCES / (USES)	0	

# WHITMAN COLLEGE BUDGET TERMS AND PROCESS 2019

#### **CURRENT FUND SOURCES**

Below are the various sources or revenues and transfers-in which support the current fund budget at Whitman College.

#### **Net Tuition**

The tuition charge increased 4.0 percent for the 2019-2020 academic year. The annual charge is \$53,420. Restricted financial aid is funded by gifts and endowment and comprises about 30 percent of total institutional financial aid. Unrestricted financial aid is funded from the operating budget. Financial aid is shown as a discount to tuition to better focus on net tuition income, which is a key issue for budget planning. The college's institutional aid as a percentage of tuition (what we call our discount rate) was 33.8% in 2014-2015 and has grown to 40.7% this past academic year. The Admission Office uses several strategies to manage the discount rate while at the same time recruit a strong and diverse academic class. This is one of the largest challenges facing private higher education today.

#### **Instruction Fees**

Instruction fees include lab fees for certain art and science classes, private music lessons, P.E. fees for such activities as skiing, etc.

# **Annual Fund Gifts**

Unrestricted annual fund gifts are used to support the operating budget. Scholarship gifts are used to support student financial aid. Whitman relies on such gifts to a far lesser degree than most colleges.

## **Federal Financial Aid**

A portion of these funds are for Federal Supplemental Educational Opportunity Grants which are applied directly to the accounts of specific students. The remainder is Federal Work-Study which together with College funding pays for compensation to students working on campus and in the community.

# **Endowment Income**

There are three components to endowment income: 1) income from funds managed by the college; 2) income from funds held in outside trusts; and, 3) farm income. Approximately two thirds of this transfer from the College's endowment funds are restricted to specific purposes such as; financial aid, faculty salaries and the library, the remainder is unrestricted.

The calculation of endowment payout for 2019-2020 is based on the following policy set by the trustees: five percent of the average market values of endowment funds and outside trusts averaged over twelve quarters. The first quarter for the payout is September 30, 2015 and the last is June 30, 2018. Farm income is based on a six-year rolling average of net income. Total combined endowment and farm payout for 2019-2020 is \$25,467,600.

# **Investment Income**

Investment income is the interest earned on the balance of current fund cash. The balance consists of unspent budget sources such as revenues from students and endowment support owed but unpaid to the budget.

## **Miscellaneous Income**

Miscellaneous income includes such items as vending machine income, application fees, classroom rental fees, etc.

# **ASWC Income**

ASWC income includes fees paid by students for the student government as well as student government investment income. The fee is set by the student government and is capped by their by-laws to one percent of the College's annual tuition fee.

# **Sponsored Programs**

Sponsored programs are funded by federal and private grants for research and other efforts.

# **Transfer Income from Auxiliary**

Auxiliaries (residence life, food service, the bookstore, and summer conferences) pay this income to the general operating budget in order to defray their share of general support services provided by the college such as payroll, personnel, business office, insurance, etc.

# **Residence Hall and Food Service**

Self-explanatory

**Bookstore** Self-explanatory

# **Other Auxiliary**

This includes summer programs, rental houses and equipment.

## **CURRENT FUND USES**

Below are the various uses or expenses and transfers-out pertaining to the current fund budget at Whitman College. The single largest expenditure at most institutions of higher education is faculty and staff compensation and benefits. At Whitman, compensation and benefits are approximately 56 percent of total current fund uses.

## Instruction

These costs include faculty salaries and other direct costs for supplies and services, which support teaching.

## **Academic Support**

These are costs which support the instructional process but are not central to teaching. Examples include the Library, Instructional Media, Theatre, Art Gallery, Museum, etc.

## **Sponsored Programs**

These are costs incurred under conditions and terms set by federal agencies and private grantors for research and other efforts, using a combination of college personnel, equipment and students to carry out the various projects.

# **Student Services**

These are costs to help students succeed in their academic mission. Student services offer co-curricular programs outside of the classroom. Examples of Student Services include Athletics, Health Center, Counseling Center, Admission Office, Financial Aid Office, Intercultural Center, and the Outing Program.

# **Institutional Support**

These are administrative costs incurred to carry out the day-to-day operations of the college: the president's office, human resources, business office, technology services, security, development, alumni, etc.

# **Physical Plant**

These are the costs of managing the physical plant of the college such as maintenance, custodial services, grounds and debt service.

# **Federal Financial Aid**

These are the costs of the Federal Supplemental Educational Opportunity Grants applied directly to the accounts of specific Whitman students. The cost associated with Federal Work-Study is spread among the various functions in which students are employed.

# **Residence Hall and Food Service**

Self-explanatory

# Bookstore

Self-explanatory

# **Other Auxiliary**

This includes summer programs and rental houses and equipment.

# **Campus and Auxiliary Replacement Reserves**

Funded from the operational budget, replacement reserves are set aside each year to fund a life cycle reserve. The Buildings and Grounds Committee developed a facilities spending plan to eliminate deferred maintenance and fund future life cycle replacement needs. Deferred maintenance was eliminated in the 1997-1998 year. The reserve is used to fund projects identified by the Life Cycle Committee each year. For 2018-2019, the college is reserving .59 percent of the estimated replacement value of campus buildings, building components and other infrastructure. The contribution to the reserve is reviewed annually by the college.

## **OTHER**

# **Faculty and Staff Salary Pools**

Faculty and staff pools are each given an overall percentage increase to the respective budget bases as approved by the trustees (the faculty pool increased by 3.5 percent and the staff pool increased by 4.5 percent for 2019-2020). Raises at the individual level in both pools are primarily based on merit. Faculty achieving an increase in rank are given an additional pay increase for the promotion. Increases to staff are mostly merit-based with a small portion held out for equity adjustments and promotions. The Office of Human Resources makes recommendation for equity increases based on surveys which identify positions which lag behind policy targets.

# **Other Personnel Expense (OPE) or Fringe Benefits**

OPE is assessed upon all employing departments at an annual rate approved by the trustees (39.0 percent for 2019-2020). The rate is management's best estimate to the costs per dollar of salary or wages for the contributions Whitman makes for fringe benefits. The largest costs are medical, retirement, social security/Medicare, and tuition benefits. At the end of the budget year, the actual experience or cost incurred will differ from the overall rate charged, and such differences are charged or swept to a reserve account.

## **Budget Process**

The budget process begins with a cabinet retreat over the summer. General goals are set and the strategic plan is updated. Using the direction provided at the retreat, the college develops a budget model to forecast operating budgets for multiple years. The model shows various scenarios for revenues and expenses associated with strategic initiatives and a sensitivity analysis of the key budget drivers (tuition, financial aid, enrollment, and salary pools).

Beginning in September, the cabinet members work with their departments to develop and prioritize budget requests and reallocations. The Budget Advisory Committee, comprised of faculty, staff and students begins meeting in October. This committee brings insight from their respective constituencies, helps prioritize budget requests, and provides input on key budget elements such as tuition increases and salary pools.

With input from the Budget Advisory Committee, the president and the cabinet recommend budget planning parameters or ranges to the governing board budget committee in November. Using these ranges, and with further input from the Budget Advisory Committee, the President and CFO work with the rest of the cabinet members to balance the budget, adjusting both revenues and expenses. In February, the proposed budget is presented to the Committee on Resources and the Trustees for final approval. The approved budget is then reviewed with the Budget Advisory Committee.

## **Comparison Groups - Panel of 19**

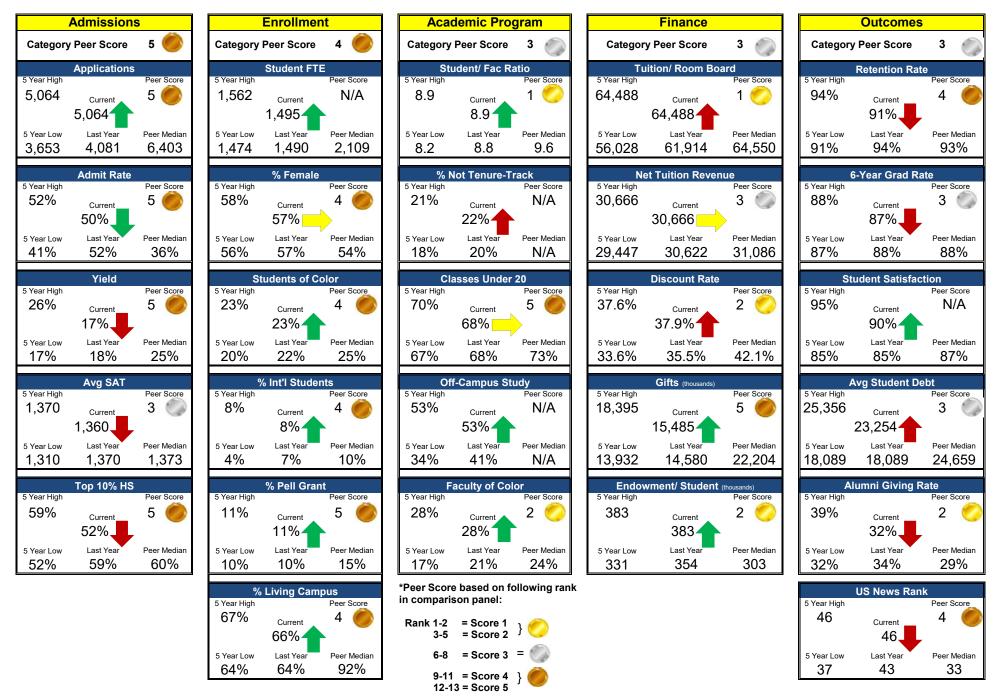
The members of this group were chosen because they are liberal arts institutions much like Whitman College. The group contains institutions that range in various rankings both above and below Whitman. The members of the group are periodically reviewed to ensure they remain an appropriate comparison group.

Bowdoin College Carleton College Colby College Colorado College Davidson College Dickinson College Franklin & Marshall Kenyon College Lewis & Clark College Macalester College Middlebury College Occidental College Pomona Reed College Rhodes College Union College (NY) University Puget Sound Willamette University Whitman College

## Quasi-Endowment

For those not familiar with the term, "quasi-endowment" is funding set aside by trustee vote to function as endowment. Budget surpluses, certain trust maturities and bequests that do not have any donor restrictions are the usual source of these funds. Quasi-endowment has the same payout to support operations as true-endowment. True–endowment involves contributions that are directed by the donor to be set up as endowments; that is a legal restriction the college must honor for as long as the endowment exists. By contrast, trustees can vote to use quasi-endowment funds for other purposes, such as to fund a building or budget initiative.

# Whitman College Peer Comparison Dashboard Indicators 2018/19\*



\* Peer Comparison Panel includes Carleton, Colby, Colorado College, Davidson, Dickinson, Franklin and Marshal, Kenyon, Macalester, Occidental, Reed, Rhodes, Union, and Whitman \* Student FTE, pell grant, % Non-tenure Track, student satisifaction, avg student debt, alumni giving, and all finance indicators with the exception of tuition/room and board is as of 2017/18.

# Whitman College Dashboard Legend/Definitions

			Admissions	Enrollment		
Highest figure over past five years	Trend from previous year to current year	Peer Score based on page one ranking criteria	Applications - First-time, first year students who applied including early decision in the fall of the fiscal year.	Student FTE - Total 12-Month full-time equivalent undergraduate student enrollment. A peer score was intentionally not included with this indicator.		
5 Year High	Example	Peer Skore	Admit Rate - Percentage of first-time first-year applicants admitted including those wait-listed and subsequently admitted.	% Female - Percentage of students enrolled in the fall of the fiscal year who are female.		
5%	Current	3	Yield - Percentage of first-time first year admitted students who subsequently enrolled.	Students of Color - Percentage of students describing themselves as Hispanic/Latino, American Indian or Alaska Native, Asian, Black/African- American, Pacific Islander, or two or more races enrolled in the fall of fiscal year.		
5 Year Low	Last Year 4%	Peer Median 3%	Average SAT - As reported by IPEDS the average of the 75% percentile and 25% of critical reading and math sections of SAT of first-year first-time enrolled students.	% Int'l Students - Percentage of international students enrolled in the fall of the fiscal year.		
1 Lowest figure	Previous year's	Median figure among comparison panel.	Top 10% of High School - First-year first-time enrolled students % who ranked in the top 10% of their high school class (for those students that ranking data was available).	% Pell Grant - Percentage of enrolled students receiving Pell Grants.		
over past five years	figure			% Living on Campus - Percentage of enrolled students living in college- owned/operated housing including fraternities and interest houses in the fall of the fiscal year.		
Aca	demic Progra	m	Finance	Outcomes		
	culty in fall of the fiscal	udent enrollment to total year based on data	Tuition Room/Board - Gross total tuition/fees/room/board per student.	Retention Rate - Retention Rate for 1st year students.		
percentage of FT fa faculty at Whitman i	- Number of FT non-ten culty at Whitman as of fa ncludes both tenured ar bbatical replacements.	all of fiscal year. Tenured	Net Tuition Revenue - Student charges accounting for discount rate.	6 - Year Grad Rate - Percentage of students graduating within six years of initial enrollment.		
Classes under 20 - Percentage of courses offered for credit not including individual instructional classes (i.e. thesis research/music instruction) that are below twenty students.		ses (i.e. thesis research/music institutional aid received by student.		Student Satisfaction - Percentage of students describing their experience as Satisfied/Good or above, in surveys provided to graduating seniors. These surveys include the HEDS Senior Survey, HERI College Senior Survey, and the National Survey of Student		
Off-Campus Study - Percentage of juniors participating in a study abroad program. Includes only a semester study abroad program or longer. Peer institution statistics are not available for this data point on an annual basis.		study abroad program or	Gifts in thousands - Total face value of gifts in thousands during the fiscal year.	Engagement. These surveys are not completed every year by all. institutions in the College's peer group so a peer score is not obtainable. The Peer Median is the median percentage among liberal arts schools similar to Whitman who participated in the survey.		
Faculty of Color - Percentage of full-time faculty of color during the academic year (includes international).		culty of color during the	Endowment/Student - Amount of endowment valued as of June 30th of the fiscal year divided by the number of FTE students in the fall of that fiscal year.	Avg Student Debt - Avg amount of student debt principal at graduation.		
				Alumni Giving Rate - % of solicitied alumni giving to the College during the fiscal year.		
				US News Rank - Rank of the institution according to the US News and World Report fiscal year publication.		

#### 2019 Panel of 19 Benchmarking Report

	Undergraduate <sup>1</sup>				Percent <sup>2</sup>		4		
	/ US News <sup>1</sup>	Academic Reputation	2019-2020 <sup>2</sup>	2019-2020 <sup>3</sup> Est Net	Tuition Increase from	Tuition <sup>3</sup> Discount	Endowment	Accept <sup>1</sup> Rate	SAT 25th <sup>1</sup> to 75th
Institution	Rank	Index	Tuition	Tuition	2018-2019	Rate	Per Student	2019	Percentile
Bowdoin College	6	91	55,822	33,041	4.5%	40.81%	901,531	10%	1310 - 1510
Carleton College	7	90	56,778	34,748	4.3%	38.80%	429,581	20%	1420 1520
Colby College	11	88	54,870	38,436	3.7%	29.95%	440,667	13%	1350 - 1510
Colorado College	27	81	57,612	39,153	4.8%	32.04%	363,357	15%	1350 - 1510
Davidson College	17	86	52,524	23,778	2.1%	54.73%	457,559	19%	1290 - 1450
Dickinson College	46	72	55,948	31,706	3.3%	43.33%	182,531	49%	1200 - 1390
Franklin & Marshall	38	76	58,615	33,833	3.8%	42.28%	157,412	35%	1260 - 1440
Kenyon College	27	81	56,430	35,111	4.8%	37.78%	244,312	36%	1350 - 1510
Lewis & Clark	72	64	52,346	30,717	3.5%	41.32%	73,571	74%	1230 - 1390
Macalester College	25	82	56,062	26,568	3.6%	52.61%	361,868	41%	1350 - 1510
Middlebury	7	90	55,790	38,724	3.3%	30.59%	* 446,976	17%	1330 - 1510
Occidental College	39	75	55,980	31,920	3.5%	42.98%	211,306	37%	1270 - 1450
Pomona	5	92	54,380	31,181	3.8%	42.66%	1,386,407	8%	1400 - 1540
Reed College	68	65	58,130	37,598	3.7%	35.32%	413,593	36%	1310 - 1500
Rhodes College	53	71	48,889	22,499	2.8%	53.98%	180,452	45%	1310 - 1440
Union College (NY)	45	75	56,853	33,071	3.7%	41.83%	209,400	39%	1270 - 1430
UPS	89	61	51,470	31,376	4.0%	39.04%	* 135,080	88%	1130 - 1350
Willamette	68	65	51,750	30,103	4.0%	41.83%	* 105,534	84%	1170 - 1350
Whitman College	46	72	53,420	33,168	4.0%	37.91%	382,942	50%	1350 - 1480
Average	37	78	E4 020	22.400	2 70/	44 0 49/	272.946	200/	1297 - 1463
Average		-	54,930	32,460	3.7%	41.04%	372,846	38%	
Median	38	76	55,822	33,041	3.7%	41.32%	361,868	36%	1310 - 1480
Whitman College Percent difference	46	72	53,420	33,168	4.0%	37.91%	382,942	50%	1350 - 1480
from median	-17%	-6%	-4%	0%	0.3%	-3.41%	6%	-14%	3% 0%

1) U.S. News & World Report, 2019 issue based off academic year 2018/2019 data. (Rank - 100 highest)

2) Verified with each institution.

3) Tuition discount rate from 6/30/18 financial statements applied to 19/20 actual tuition to estimate 19/20 net tuition. (\*) Rate is undergraduate/graduate combined

4) NACUBO Endowment Study 2018 based off June 30, 2018 endowment values.

# 2019 Tuition Pricing History Panel of 19

Panel of 19									
Panel of 19	2016/2017	2017/2018	2017/2018	2018/2019	2018/2019	2019/2020	2019/2020	3-YR Cum.	3-YR Avg.
		% Inc		% Inc		% Inc		% Inc	% Inc
Douglain College	40,440	2.00/	54.044	4.00/	52.440	4 50/	55.000	12.00/	4.20/
Bowdoin College	49,416	3.9%	51,344	4.0%	53,418	4.5%	55,822	13.0%	4.3%
Carleton College	50,580	3.7%	52,476	3.7%	54,438	4.3%	56,778	12.3%	4.1%
Colby College	48,820	4.2%	50,890	3.9%	52,890	3.7%	54,870	12.4%	4.1%
Colorado College	50,892	2.9%	52,380	5.0%	54,996	4.8%	57,612	13.2%	4.4%
Davidson	47,897	4.3%	49,949	3.0%	51,447	2.1%	52,524	9.7%	3.2%
Dickinson	50,730	3.4%	52,480	3.3%	54,186	3.3%	55,948	10.3%	3.4%
Franklin & Marshall	52,190	4.0%	54,280	4.0%	56,450	3.8%	58,615	12.3%	4.1%
Kenyon	49,220	4.7%	51,540	4.4%	53,830	4.8%	56,430	14.6%	4.9%
Lewis & Clark	46,534	4.5%	48,628	4.0%	50,574	3.5%	52,346	12.5%	4.2%
Macalester	50,418	3.6%	52,234	3.6%	54,114	3.6%	56,062	11.2%	3.7%
Middlebury	49,648	4.9%	52,080	3.7%	54,032	3.3%	55,790	12.4%	4.1%
Occidental College	50,492	3.5%	52,260	3.5%	54,090	3.5%	55,980	10.9%	3.6%
Pomona	49,005	3.5%	50,720	3.3%	52,412	3.8%	54,380	11.0%	3.7%
Reed College	51,850	4.0%	53,900	4.0%	56,030	3.7%	58,130	12.1%	4.0%
Rhodes	44,632	3.5%	46,194	3.0%	47,580	2.8%	48,889	9.5%	3.2%
Union	51,225	3.5%	53,019	3.4%	54,819	3.7%	56,853	11.0%	3.7%
UPS	46,310	3.3%	47,840	3.5%	49,510	4.0%	51,470	11.1%	3.7%
Willamette	46,900	2.0%	47,840	4.0%	49,750	4.0%	51,750	10.3%	3.4%
Whitman	47,490	4.0%	49,390	4.0%	51,370	4.0%	53,420	12.5%	4.2%
Average	49,171	3.8%	51,023	3.8%	52,944	3.7%	54,930	11.7%	3.9%
Median	49,416	3.7%	51,540	3.7%	53,830	3.7%	55,822	12.1%	4.0%
Whitman	47,490	4.0%	49,390	4.0%	51,370	4.0%	53,420	12.5%	4.2%
Percent difference from median	-4%	0.3%	-4%	0.3%	-5%	0.3%	-4%	0.4%	0.2%

# 2019 Room and Board - Panel of 19

	Room	% Inc Room	Room	Board	% Inc Board	Board	Total	Total
Institution	2018-2019	2019-2020	2019-2020	2018-2019	2019-2020	2019-2020	2018-2019	2019-2020
Bowdoin College	6,868	7.3%	7,372	7,830	2.0%	7,988	14,698	15,360
Carleton College	7,398	4.1%	7,704	6,687	4.0%	6,954	14,085	14,658
Colby College	7,365	3.5%	7,620	6,825	4.0%	7,100	14,190	14,720
Colorado College	7,530	3.0%	7,756	4,982	4.4%	5,200	12,512	12,956
Davidson	7,315	3.0%	7,534	7,057	3.0%	7,269	14,372	14,803
Dickinson	7,064	3.5%	7,310	6,634	3.5%	6,866	13,698	14,176
Franklin & Marshall	8,310	2.9%	8,550	5,740	2.8%	5,900	14,050	14,450
Kenyon	5,470	0.0%	5,470	7,040	1.0%	7,110	12,510	12,580
Lewis & Clark	7,064	5.0%	7,418	5,426	5.0%	5,696	12,490	13,114
Macalester	6,526	3.6%	6,762	5,630	3.6%	5,830	12,156	12,592
Middlebury College	8,650	3.2%	8,931	6,880	3.2%	7,101	15,530	16,032
Occidental College	8,816	0.2%	8,834	6,680	7.8%	7,200	15,496	16,034
Pomona	9,666	3.0%	9,956	7,050	3.0%	7,262	16,716	17,218
Reed College	7,440	3.8%	7,720	6,770	1.9%	6,900	14,210	14,620
Rhodes	6,975	2.0%	7,112	4,431	2.0%	4,519	11,406	11,631
Union	7,437	3.7%	7,710	6,125	3.7%	6,351	13,562	14,061
UPS	6,820	2.9%	7,020	5,720	4.5%	5,980	12,540	13,000
Willamette	6,500	2.2%	6,640	6,060	4.0%	6,300	12,560	12,940
Whitman College	5,844	3.0%	6,020	7,274	3.0%	7,492	13,118	13,512
Average	7,319	3.2%	7,549	6,360	3.5%	6,580	13,679	14,129
Median	7,315	3.2 %	<b>7</b> ,549 <b>7,534</b>	6,680	3.5%	<b>6,900</b>	<b>13,698</b>	14,129 14,176
Whitman College	5,844				3.0%			
% difference from Median	5,644 -25%	3.0%	6,020 -25.1%	7,274		7,492 7.9%	13,118 -4%	13,512 -5%
% unreferice from wedian	-25%	0.0%	-25.1%	8.2%	-0.5%	1.9%	-4%	-3%