

Standing Budget Committee

Based on the positive experience of the *ad hoc* Budget Planning Team over the 2008-09 academic year, and upon recommendation of the team itself, the FEC and the Board of Trustees, I propose to appoint a standing Budget Committee. It will be modeled on the *ad hoc* team.

The committee will review the 2010-2011 budget and all related assumptions, as well as our planning parameters for all revenue and expense categories for future years (*at least three years*, as is our current practice). The committee also will:

- Articulate budget objectives for 2010-2011 and coming years in order to meet the overarching goal of sustaining Colorado College and the quality of its academic programs.
- Review the current budget forecast for the next several years and propose one or more options for achieving a balanced budget in 2010-11 and beyond.
- Examine key revenue and expense assumptions, including:
 - Tuition levels
 - Enrollment targets
 - Financial aid pool
 - Compensation pool
 - Management actions to achieve a balanced budget (e.g., staffing, auxiliaries, renewal and replacement, and other cross-campus areas for savings).
- Establish a timeline for key policy decisions during the process.
- Recommend preferred options to the Senior Staff and the President for a balanced and sustainable budget, with the aim of approval by the Board of Trustees at their meeting in February 2010.
- Communicate clearly and frequently with all campus constituencies about the content and process of their work.

The Budget Committee's work will be guided by the following principles:

- 1) All elements of the budget support the college's mission.
- 2) Maintain a balanced budget on an annual basis.
- 3) Operate within the expenditure budget at the divisional level.
- 4) Put annual operating budget surpluses into an income-generating quasi-endowment.
- 5) Maintain a contingency fund equal to at least 1% of the operating budget.
- 6) Use operating funds to retire capital budget debt in a 20-year period.
- 7) Develop a usable and understandable budget.

Let me express my appreciation for the difficult but thoughtful work of the *ad hoc* Budget Planning Team under the leadership of Dean Susan Ashley. She and her colleagues provided a valuable example of how we can improve the governance of the college. I believe we will benefit in many ways from this fine example.

Committee Composition (1-year renewable terms):

Dean of Faculty (Chair)
3 faculty (designated via FEC)
2 staff (designated via Staff Council; at least one non-exempt)
2 students (designated via CCSGA)
VP of Finance & Administration
VP of Student Life/Dean of Students
Trustee representative

--*Richard F. Celeste, President*