AGENDA

- Budget Update
  - Budget Process Timeline (Personnel and Non-Personnel)
  - 2018-19 Revenue Budget
February 22nd – Board of Managers approves Revenue Budget

March and April – Committee reviews personnel requests/Prioritization of non-personnel requests

April 23 – Finance Committee to preview Compensation and Benefits Budget

May 12 – Board of Managers approves Expense Budget

July 1 – Start of Fiscal Year 2018-19
OUR ASSUMPTIONS

- No changes to Financial Aid policies
- Growth in Capital Spending needs (An additional $3.2 million or 39% increase)
- We must limit growth in both positions and departmental budgets to make room for these commitments.
  - What trade-offs or reductions in other areas can we make in order to accommodate requested budgets for new initiatives?
## 2018-19 Revenue Budget

<table>
<thead>
<tr>
<th>Revenues ($000s)</th>
<th>2017-18 Budget</th>
<th>2018-19 Budget</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Student Revenues</td>
<td>$105.6</td>
<td>$110.3</td>
<td>$4.7</td>
</tr>
<tr>
<td>Less: Financial Aid</td>
<td>(42.5)</td>
<td>(45.6)</td>
<td>(3.1)</td>
</tr>
<tr>
<td>Student Revenues (net)</td>
<td>$63.1</td>
<td>$64.7</td>
<td>1.6</td>
</tr>
<tr>
<td>Endowment Spending</td>
<td>87.0</td>
<td>95.1</td>
<td>8.1</td>
</tr>
<tr>
<td>Gifts and Grants</td>
<td>5.4</td>
<td>5.5</td>
<td>0.1</td>
</tr>
<tr>
<td>Other</td>
<td>7.8</td>
<td>8.0</td>
<td>0.2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$163.3</strong></td>
<td><strong>$173.3</strong></td>
<td><strong>$10.0</strong></td>
</tr>
</tbody>
</table>
REVENUE BUDGET PARAMETERS – FY 2018-19

- Student Enrollment (average) – 1,550 students (no growth)
- Tuition – 3.5% increase
- Swarthmore Fund Gifts - $5.2 million
- Inflation Rate (HEPI, excluding compensation) – 1.7%
- Endowment Return – 6.70%
- Spending Rate Target – 4.72%
STUDENT CHARGES 2018-19

- Tuition: $52,190 (3.5% increase)
- Student Activities: $398 (0% increase)
- Room: $7,938 (3.5% increase)
- Board: $7,536 (3.5% increase)
- Total Charges: $68,062 (3.5% increase)
Projected FY18 Endowment Spending Rate at Various Investment Return Assumptions

10 pct decrease IR = 5.2% SR
5 pct decrease IR = 5.0% SR
no change IR = 4.7% SR
5 pct increase IR = 4.5% SR
10 pct increase IR = 4.3% SR