

INSTITUTIONAL POLICY AND PLANNING COMMITTEE
MEETING MINUTES
February 2, 2018
10:30 a.m.

PRESENT: Cerri A. Banks (by phone); Marta Brunner; Grace Burton; Paul Calhoun; Sean Campbell; ; Greg Gerbi; Philip A. Glotzbach, Chair; Tim Harper; Lisa Hobbs; James Kennelly, Vice Chair; Kris Leggiero; Martin Mbugua; Crystal Moore; Eric Morser; Levi Rogers; Joseph Stankovich; Michael D. West; and Joshua C. Woodfork.

NOT PRESENT: Mary Lou Bates; Bill Duffy; and Hèdi Jaouad.

Guests: Kelley Patton-Ostrander and Dan Rodecker

Called to order at 10:30 AM.

President Glotzbach welcomed new members: Crystal Moore, Marta Brunner (CEPP), Kira Geary (SGA) and Nicki Werner (SGA).

1. Approval of Meeting Minutes

IPPC **approved** the minutes from the December 15, 2017 meeting.

2. TED Talk:

Levi Rogers and Joe Stankovich presented this *TED Talk*. Joe noted that he likes this talk as it makes the viewer consider what they know and what they think they know. Levi appreciates that the speaker points out that our perspectives can be way off, and that it is good to be able to have awareness about your own faults in perspective.

Members of the committee discussed this issue of perspective, perception, judgements based on assumptions, and cognitive dissonance.

Vice Presidents Sean Campbell and Martin Mbugua volunteered to provide the *TED Talk* for the next committee meeting, which will be held on February 16, 2018.

Joshua Woodfork, Vice President for Strategic Planning and Institutional Diversity, asked for volunteers for the March and future meetings, and encouraged new members of IPPC to pair up, select, and facilitate a talk. He noted that he would send a list of available partners and steps, along with future committee meeting dates.

3. Admissions and Financial Aid Update

Mary Lou Bates, Vice President and Dean of Admissions and Financial Aid, and her staff provided an update on admissions and financial aid, which was presented by Joshua Woodfork in their absence:

Total applications are up about 7% currently at 10,750

Male/Female is the same as last year at this time 38%/62%

Percent of applicants requesting financial aid is up from 74% last year to 76% this year

30% of the applicants are self-identified domestic students of color last year 29%

30% of the applicants are self-identified international students last year 29%
Early Decision (ED) I enrolled 258
Early Decision (ED) II applications are now at 282 compared to 260 last year

4. Recent Center for Integrated Sciences (CIS) Steps Update

President Glotzbach noted that there has been much progress on the Center for Integrated Sciences (CIS) and asked Michael West, Vice President for Finance & Administration and Treasurer, to provide an update to the committee.

Michael reported that a few weeks ago, the Saratoga County Capital Resource Corporation approved our application to finance \$35 million (net proceeds) of the \$67.5 million project in the form of a tax-exempt bond.

He noted that he is pleased to report that this week we received a favorable rating outlook from
- Stable, which is great, and very significant when

currently negative. Also, this week the approved bond was placed in the market and we expect to know the pricing, which is determined by the market, next week.

Also, we have now completed the bid documents for CIS, and these have been issued. We expect to award the contract for the first phase of the project in early April 2018, and we are on schedule to start construction in May 2018. We also received our building permit this past week.

He indicated that as we prepare for the project to begin, we are also looking ahead and preparing to fund the related debt service, which will begin in 2021. To that end, we are on track to set aside the projected additional approximately \$800,000 -

Michael reviewed the Operating Budget and pointed out the key budget parameters that shape the Operating Budget for the fiscal year June 1, 2018 - May 31, 2019. He updated the Committee on the discussions occurring at Cabinet on both the Operating and Capital. He reported that much good progress has been made. This information is confidential at this time.

As we begin the Spring semester, we continue to project a balanced budget, while preserving our contingency fund of \$0.7 million for the fiscal year. While the estimates for most operating budget items remain as previously contemplated and presented in October, we do need to point out that we will have more grant-related activity (higher revenue and related expenses) this year than originally planned.

Based on extremely strong investment performance, the market value of our endowment as of 2017 calendar year end, a key quarter-end date that is used in the calculation of our take out, was approximately \$384.4 million. This higher-than-planned market value will enable us to enjoy larger endowment income this fiscal year.

At this time, we are projecting a balanced budget while protecting our contingency of \$0.7 million, while we are also maintaining substantial net revenue from over enrollment. Our current estimate for over-enrollment has increased to 80 additional students on a net fiscal enrollment basis, providing additional net revenue of \$3.7 million. Consistent with past practice, we will consider this surplus separate from normal operations.

fiscal enrollment by 20 to 2,350 students on a net fiscal enrollment (NFE) basis, and planning for over-enrollment of 20 students. This increase of less than 1% helps us achieve more funding of the debt service on our new, \$35 million (net proceeds) bond issue in the support of the Center for Integrated Sciences (CIS). Importantly, because of predicted over-enrollment, we will not need to adjust our entering class recruiting efforts for the upcoming academic year. We will continue to seek 650 first year students on campus, and 36 students for our First-Year London -the-

been able to fund \$1.3 million from our operating budget, so this increase of \$0.5 million

we anticipate that the additional funding required to be approximately \$0.4 million. We will know this number within the next week, once the bonds are priced in the market. Debt service

first fiscal year during which full debt service payments will become due. Our estimate for total required debt service for this bond issue is \$2.2 million. As we have done in recent years, the additional estimated debt service funded by the operating budget that is not yet actually required to service our new debt (i.

We are recommending a comprehensive fee increase of 3.5% and an increase in the internal financial aid discount rate of six-tenths of a percentage point. While we are very optimistic about our incoming class given the record number of applications we have received, it is still too . The proportion of applicants who have requested financial aid from the College is larger than last year. For the class of 2022, 76%

of our applicants are requesting financial aid from the College. A year ago, 74% of our applicants made this request while two years ago, this rate was 70%. This is an important

discount rate from 38.1% to 38.7%, which translates to an increase in the financial aid budget of

