



## Weighty Matter I: The Financial Situation

I'm sure you've noticed the financial state of the country due to the recession we are not having according to some. The State of California budget crisis does not affect us because we receive no state funds. But, one of our major sources of revenue is the proceeds from our Osher Foundation endowment. Beginning about April 2009 we budgeted \$50,000 from the interest and gain from the endowment which we received in April 2008. .But, the endowment has lost a considerable portion of the original million in this market adjustment, and we will certainly enter the next budget year with an endowment below the original million, and therefore without the anticipated proceeds. But even with this news, we are on substantial footing for the future. We have been given one-time permission to tap into the endowment principle in the coming year. After that, when we regain the full endowment amount, we will draw on the proceeds as originally planned. If it takes long to get back to the original amount, we will probably be able to draw from the principal again, so not to worry about our stability.

It would be better, though, if we were able to postpone drawing on the principal as long as possible, allowing the endowment to return to its million dollar minimum sooner. There is little belt-tightening we can do beyond what we've done the past year. Besides member fees, the only other way to minimize drawing on our endowment principal is through fundraising. Membership has been remarkable on this score, contributing over \$80,000 for equipping the new class room in a very short period. Can we do it again, this time for operating costs until the economy improves? Below I've listed some functions carrying a price tag that member to which may want to direct contributions. We can discuss naming opportunities, except that we can not rename the student assistant!

- Undergrad Assistant to help with enrollment and records: \$7000.00
- Fund for parking fees for outside guests (e.g., from local agencies) \$500.00
- Travel funds for OLLI staff to attend National and Regional OLLI meetings (2 yearly). The Osher Foundation no longer pays for transportation to meetings, only meals and lodging at the National meeting) *Send a Director and Coordinator to Summer Camp!* \$2000.00
- Funds for equipment for off-campus sites and for backing up Merkin Room equipment as it ages over the years. \$3000.00
- Funds for paid advertising (we've drastically cut back) \$5000.00
- Cost of printing and mailing session brochures (*per session*) \$4000.00
- Scholarships for OLLI members with budget constraints (*per Scholarship*) \$350.00
- Anything else you can think of... priceless

In each instance, you may contribute all or a portion of the cost. *Please note that contributions of \$1,000 or more bring membership in the **President's Circle**, with its benefits.*

Following is the budget for the current year. As you see, Member fees account for 64% of the budget, leaving 36% to be raised by other means.

## Budget FY 2008-2009







