

THE INSTITUTE FOR ADVANCED STUDY

M I N U T E S

Joint Meeting of the Budget and Finance Committees

April 23, 1982

Princeton, New Jersey

- Present:** Messrs. Hansmann (Chairman, Finance Committee), Taplin (Chairman, Budget Committee) Dilworth, Woolf, Jenkins, and Mrs. Delmas. Also, Mr. Rowe (Acting Secretary), Logan, and Mesdames Scott, McIntosh, Modzelewski, and LaBrutte
- Absent:** Messrs. Brown, Houghton, Kauffmann, and Opel
- Presiding Officer:** Mr. Hansmann opened the meeting at 10:00 a.m.
- Minutes:** The minutes of the meeting of October 23, 1981 were approved.
- General portfolio Review:** J. Murray Logan, representing Rockefeller and Co., Inc. presented a review of the performance of the equity portion of the portfolio through March 31, 1982 and the investment outlook and strategy for the balance of 1982. He explained that the positive performance of the bonds purchased in September of 1981 allowed the total equity fund to outperform the S & P 500 Stock Index. Mr. Hansmann requested Mr. Logan to mail to the Committee members on a quarterly basis schedules of the holdings in the 5500 Fund. Linda Scott and Jean McIntosh, representing the Fidelity Bank, then reviewed the fixed income portion of the portfolio. The presentation covered performance and strategy. They reported that the 1981 return was 17.88% despite the negative direction of the market during most of the year.
- Management Letter:** Mr. Hansmann asked if the recommendations contained in the Auditor's Report to Management for the year ended June 30, 1981 have been implemented. A report will be made at the fall meeting.
- Educational Assistance Policy:** The following resolution was approved for recommendation to the Board:

WHEREAS, the Board has not changed the educational assistance program for Faculty since 1970, and the Staff since 1972; and

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WHEREAS, inflation and rising tuition costs have considerably reduced this benefit, now, therefore, be it

RESOLVED, that Faculty and Senior Staff are eligible for an annual grant of one-half tuition up to \$3,000 for their children's undergraduate study; and

RESOLVED FURTHER, that all other Institute Staff are eligible, after five years of service, for an annual grant of one-half tuition up to \$1,500; and

RESOLVED FURTHER, that the minimum grant for those eligible is the lesser of \$1,000 or full tuition; and

RESOLVED FURTHER, that the following limitations and qualifications apply:

1. The grant may be applied only toward tuition at an accredited two or four year institution for full time undergraduate study of no more than four academic years.
2. The child must be naturally born or legally adopted and must be a dependent as defined by the Internal Revenue Code.
3. The limit is one grant per year per child.
4. Staff Members must be regular employees of the Institute working at least 75% time.

Presiding Officer: Under the chairmanship of Mr. Taplin, the joint Budget and Finance Committee then turned to the agenda of the Budget Committee.

Review and Approval of the Fiscal Year 1983 Budget: Mr. Taplin reviewed the Budget, noting the anticipated surplus projected for Fiscal Year 1982. In his review he explained that the projected income from endowment fund investments for Fiscal Year 1983 has been conservatively estimated because of current economic uncertainties. Included in the budget are Faculty salaries at \$70,000 each and increases for Staff aggregating 10% to be distributed not across-the-board but on a merit basis. A slight decrease in total income and increase in operating costs result in a \$730,600 deficit budget for Fiscal Year 1983.

After review and discussion of the proposed operating budget and capital additions the Committee agreed to

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recommend Board approval of the Fiscal Year 1983
budget.

There being no further business, the meeting was adjourned
at 11:30 a.m.

Allen I. Rowe
Acting Secretary of the Corporation