

## FAQ: Understanding OLLI at UNC Asheville Finances

- **What are the sources of revenue for OLLI at UNC Asheville?** Revenue is primarily derived from the following sources: membership dues, program fees (such as College for Senior Courses and Workshops), allocation from the state of North Carolina, and income generated from our endowments as well as the annual fund. These sources account for approximately 100% of our revenue.
- **What are the endowments and how much income do they generate?** There are two primary endowments: Osher and Janirve. The Osher endowment is \$2 million and generates somewhat less than \$100,000 per year in income. There is no limitation on how the income from the Osher endowment may be spent. The Janirve endowment is \$1 million and generates somewhat less than \$50,000 per year in income; but income from the Janirve endowment may only be used for facilities and new programs. Also, there is no guarantee that the endowment investments will generate this level of income each year.
- **Who manages our endowments?** The endowments are managed by the University of North Carolina Management Corporation, which manages most endowments for institutions within the UNC system.
- **Can the principal of the endowments be used for operating expenses?** In general, the corpus (principal) of an endowment may not be used for operating expenses. There are limited purposes or situations for which the principal may be used, subject to a defined repayment schedule and time frame.
- **What are the primary operating expenses?** The primary expenses are personnel compensation, supplies and materials, services (such as catered events, catalog printing and mailing), and maintenance, repair, and improvement of the facility (such as carpet and furniture replacement, roof repairs, new plants or mulch, computer equipment, etc.) The annual budget makes provision for a certain amount of revenue to go into a reserve fund to ensure that the organization is prepared for major expenditures, such as roof repairs and carpet replacement, can be achieved.
- **What support does OLLI at UNC Asheville receive from the State?** OLLI at UNC Asheville currently receives the following support from the State of North Carolina: compensation of the Executive Director, utilities and housekeeping for the building, landscape maintenance, cashier/ accounting services, IT support for equipment and software, facilities support for special set-ups, and planning/project management for large scale facilities work (carpet replacement, repairs, etc.) The State must approve this budget allocation each year, so there is no guarantee that this support will continue.
- **How is my membership fee used?** The majority of the annual membership fee is used to purchase parking passes from the UNC Asheville campus police. The rest is used for all other operating expenses.
- **Why do we need an Annual Fund?** The Annual Fund allows for expenditures that fall outside the scope of our normal operating expenses, such as facility improvements, equipment upgrades, mulch and plant replacement, landscaping needs, etc.
- **How will we finance any expansion that may be necessary due to increases in the number of members?** OLLI at UNC Asheville has seen steady growth over the last several years and now has over 2,000 members, with slightly over 1,000 taking College for Seniors courses in some terms. In the event that the existing facility is deemed insufficient to accommodate our membership, funds will have to be raised to expand the current facility or obtain additional space. This type of fundraising is referred to as a “capital campaign,” and will require contributions from our members as well as community and institutional donors.
- **Who is in charge of OLLI at UNC Asheville finances?** The responsibility for creating and managing the annual budget belongs to the executive director. She is aided in this process by a business manager, who is a member of the OLLI staff, and the OLLI members who serve on the Finance Committee. The Committee serves in an advisory capacity and advises the executive director on matters related to the fiscal operations.