

FAQ: Understanding OLLI at UNC Asheville Finances

Updated April 13, 2023

Questions or concerns? Contact us at OLLI@unca.edu or 828.251.6140

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 term fees or fees for workshops like Paths and CREW), allocation from the state of North Carolina for the executive director's salary, income generated from our endowments and donations made to the the annual fund.

What are the endowments and how much income do they generate?

There are two primary endowments: Osher and Janirve. **The Osher Endowment** began at \$2 million and now generates more than \$100,000 per year in income. There is no restriction on how the income from the Osher endowment may be spent. **The Janirve Endowment** began as a \$1 million endowment and generates more than \$50,000 per year in income. Income from the Janirve endowment may only be used for facilities and new programs.

Who manages OLLI's endowments?

The endowments are managed by the University of North Carolina Management Corporation, which manages most endowments for institutions within the UNC system. OLLI works with University Advancement to monitor these funds and to track income and expenses.

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. The Janirve Endowment allows for limited purposes or situations for which the principal may be used, subject to a defined repayment schedule and time frame. OLLI has never drawn on the principal and plans to budget and spend without relying on the corpus of the endowment.

What are the primary operating expenses?

OLLI's primary expenses are personnel compensation, supplies and materials, IT equipment, services (such as registration and financial services), and maintenance, repair, and improvement of the facility (such as carpet and furniture replacement, roof repairs, new plants, 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. OLLI is able to achieve so much and to offer such robust programming because we rely on the generosity of our members' time, talent and treasure.

What support does OLLI at UNC Asheville receive from the state of North Carolina?

OLLI at UNC Asheville currently receives the following support from the State of North Carolina through UNC Asheville's budget: compensation of the executive director. Though they never come through the OLLI budget, UNC Asheville provides utilities and housekeeping for the Reuter Center, 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.), all without a charge against the OLLI budget.

The State of North Carolina approves the university's budget allocation each year, so there is no guarantee that this support will continue or continue at no cost. OLLI members should know that there are no federal allocations and that OLLI programs must "pay their own way" and cannot end up with a negative balance at the end of the fiscal year, which runs July 1-June 30 annually. Because we generate most of our funding, our balances roll over from year to year, so that we are able to accumulate reserves in all of our accounts.

How is my membership fee used?

Membership fees are used for staff compensation and the materials needed to sustain our operations. We supplement membership fees with endowment income to cover or supplement the cost of parking, social events, special programs, building and equipment upgrades, etc.

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, plants and mulch, etc. OLLI has been able to operate without significant increases in dues for so long because of the longstanding generosity of members who raised the majority of funds used in the construction of the Reuter Center and who continue to give to sustain innovation in our facility and program and help us fund scholarships for those who could not otherwise participate in our programs. The Annual Fund allows OLLI members to invest in a program that for many people makes a positive impact on their experience in life's second half.

Why is parking so expensive?

UNC Asheville's transportation office assists with the distribution of parking permits and manages parking citations and university transportation including shuttles, EV permits and a motor fleet. They have to raise their own revenue (the university's allocation from the state does not cover transportation, security or parking maintenance) and support their operations through fees. OLLI members should be aware that OLLI as an organization subsidizes the cost of parking so that OLLI members individually pay half of what other students on campus pay. We are able to do this because we have built healthy reserves in all of our funds over the years.

When members get tickets, they sometimes believe that the university pockets the money. It's important to recognize that the money collected for fines goes directly to the State of North Carolina.

How will we finance any expansion that may be necessary due to increases in the number of members?

OLLI at UNC Asheville saw steady growth in the years leading up to the pandemic; our membership peaked around 2600 members and was steady at about 2400 members. Although we have returned in in-person courses and expanded our online offerings, we have not returned to pre-pandemic numbers either of members or people taking part in College for Seniors

courses. Before the pandemic we were in serious conversation about expansion. The need seems less urgent post-pandemic, both because our membership numbers are less and because we have gained experience in remote and hybrid courses, which expand our reach but don't increase our footprint on the building.

Campus master planning before the pandemic included some possibility of moving OLLI to a proposed new building on a site off W.T. Weaver Boulevard. Architects for the master plan argued that the site closer to the entrance to campus would be more accessible to community members and might alleviate competition with students for parking on the main campus. There was also talk of the county building an Active Aging Center on the same parcel of land, which would have a mission separate from but complementary to OLLI's mission. There are great possibilities to reach new audiences and to share facilities with an Active Aging Center. Given changes in leadership at the university and given the economic climate in the wake of the pandemic, the idea of moving OLLI from the Reuter Center seems unlikely in the near term. Talks about the Active Aging Center continue. Whether we are right next door to the proposed center or just up the hill, we continue to support the idea of a hub for aging services that might also connect us to a broad population of people looking for meaning, fun and community in life's second half.

Given the current economic climate, trends in retirement saving and spending and the demographics of the aging population, our ideas about expanding or changing the Reuter Center are less certain than they were in the past. Our increased capacity for remote programming gives us new options for expansion that would not require new facilities. We recognize the value of having the Reuter Center as a focus for our community and the importance of in-person gathering. In the event that the existing facility is deemed insufficient to accommodate our membership, we continue to plan for a comprehensive campaign (soliciting donations from OLLI members and community and institutional donors) to fund expansion of the Reuter Center or construction of a facility elsewhere on campus.

Who is in charge of OLLI at UNC Asheville finances?

The responsibility for creating and managing the annual budget belongs to the executive director, who is aided and advised in this process by a business services coordinator, who is a member of the OLLI staff, and the OLLI members who serve on the Finance Committee. In addition, OLLI staff works closely with staff in UNC Asheville's budget and finance office and in University Advancement to manage all funds. Finally, we know that our financial and community support comes from members. We do everything in our power to be transparent about our finances and to consider carefully what our members would value most when we make decisions about spending.