

June 24, 2008

Dear Valued OLLI Member,

The Osher Lifelong Learning Institute (OLLI) started in 2003 and was funded for the first two years by a generous grant from the Bernard Osher Foundation. In the third year we were awarded an endowment and each year we receive interest earned on the principal of the endowment. Our only additional revenue comes from our membership and registration fees.

Last year, the annual return on the endowment was \$47,667. This revenue from our membership and registration fees totals \$74,153. Collectively these revenues comprise our annual operating budget, and netted a total OLLI operation budget of \$121,814 for the fiscal year ending June 30, 2008.

However, our expenses have increased during the past year, both in terms of variable and fixed costs. Variable costs include expenses associated with developing and presenting courses, fees for course venues, socials, office supplies and operating expenses. Fixed costs include overhead expenses of Cal Poly personnel that administer, coordinate, and host the OLLI program. Total operating expenses for the fiscal year just ending were \$127,125, resulting in a net operating loss of \$5,311, which was taken from our reserves.

We anticipated expenses to rise during 2007 and had hoped to offset projected cost increases by increasing membership and instituting a small membership fee. However, despite this and our recent membership drive, as well as expanded course offerings (we offer more courses per member than any other OLLI in the nation), we did not experience a significant increase in membership and revenue last year to offset the expenses.

Cal Poly OLLI is historically one of the lowest cost OLLI's in the nation, and we are one of only a handful that do not pay our course instructors. These unusually low fees, combined with higher costs, have left a budget shortfall that we need to address for the coming year.

We want to continue providing you the rich variety, number, and quality of courses you have come to expect from us. To do this, we find it necessary to raise the term registration fee from \$60 to \$95 starting with this Fall term. Previously, registration for each of three terms was \$60, totaling \$180 annually; with our two terms now you will be paying \$190. Your annual membership fee remains at \$25. To help mitigate the fee increase, we are increasing your first-round course registration picks **from five to seven**, and the number of courses to choose from is now over 70.

For a more detailed explanation of the fee increase, please [click here to see the "Fee increase explanation"](#) document prepared by Boyd Horne, or go to the website: [www.osher.calpoly.edu](http://www.osher.calpoly.edu), click on "Fee increase explanation".

We sincerely value your membership and all facets of your participation in our peer-led, non-profit organization. You can help us keep our fees from continuing to rise, and here is how. We need **more members** and **more volunteers**. So, please **tell a friend** about OLLI and encourage them to become members and enjoy OLLI together.

We encourage you to become a volunteer and help us continue to grow and to offer an unmatched quality of courses and events.

Thank you for your continued support and for being a valued member.

Sincerely,

Dorothy A. Schlitz, President of Board of Members