

United States Senate
Committee on Finance



Sen. Chuck Grassley • Iowa
Ranking Member

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*****Please note: This is embargoed until Jan.. 27, 2009, at 12:01 a.m. ET, in keeping with NACUBO's embargo.*****

MEMORANDUM

To: Reporters and Editors
Fr: Jill Gerber for Sen. Grassley, 202/224-5422
Re: College endowment survey
Da: Monday, Jan. 26, 2009

Sen. Chuck Grassley, ranking member of the Committee on Finance, with jurisdiction over tax policy, made the following comment on the annual survey on college endowments from the National Association of College and University Business Officers (NACUBO). Grassley is interested in whether universities maximize their tax-exempt status to help students, in keeping with their charitable mission.

“I hope colleges won’t use the recent volatility as an excuse to raise tuition or freeze student aid. They might forget the very recent years of double-digit gains or that many of them still have a lot of money in the bank. They might overlook that there always seems to be money for a salary increase for the president or football coach. Contrary to what colleges might argue, the weak economy makes a strong case for more endowment spending on student aid. If an endowment is a rainy day fund, it’s pouring. Colleges’ smart saving and investing could really help students right now. And the right kind of modest pay-out requirement for endowments above a certain dollar amount might do a lot of good for universities and students regardless of economic conditions.”