

THE GEORGE WASHINGTON UNIVERSITY
Washington, D.C.

The Faculty Senate

September 30, 2010

The Faculty Senate will meet on Friday, October 8, 2010, at 2:10 p.m. in the State Room, 1957 E Street, N.W., 7th Floor.

AGENDA

1. Call to order
2. Approval of the minutes of the regular meeting of September 10, 2010
(minutes to be distributed)
3. **A RESOLUTION REQUESTING ADDITIONAL INFORMATION ON THE BUDGETARY AND FINANCIAL IMPLICATIONS OF THE PROPOSED SCIENCE AND ENGINEERING COMPLEX (10/3) (Resolution 10/3 is attached)**
4. Introduction of Resolutions
5. General Business
 - (a) Report of the Executive Committee: Michael S. Castleberry, Chair
 - (b) Chair's Remarks
6. Brief Statements (and Questions)
7. Adjournment

Elizabeth A. Amundson
Elizabeth A. Amundson
Secretary

Attachment

**A RESOLUTION REQUESTING ADDITIONAL INFORMATION
ON THE BUDGETARY AND FINANCIAL IMPLICATIONS OF
THE PROPOSED SCIENCE AND ENGINEERING COMPLEX (10/3)**

WHEREAS, the Administration has announced plans to build a Science and Engineering Complex (“SEC”) building, which is expected to include offices, classrooms and laboratory space for the School of Engineering and Applied Sciences and the science departments of the Columbian College of Arts and Sciences, with a gross capacity of 480,000 square feet and a projected initial construction cost of \$275 million; and

WHEREAS, the description initially provided by the Administration with respect to the projected initial construction cost of the SEC building does not include: (1) the complete costs of construction, including costs associated with replacing the parking that is currently located on the site of the proposed SEC; (2) the future costs of “building out” unfinished floors, and (3) annual costs of operating and staffing the SEC; and

WHEREAS, the sources of funding for the SEC building have recently been described to the Faculty Senate in a letter from Provost Lerman and Executive Vice President and Treasurer Katz to the Faculty Senate as:

- (1) The annual endowment payout from the Square 54 ground lease of \$9 million per year to support debt service payments of approximately \$150 million;
- (2) Additional support from a combination of:
 - (a) Fundraising for philanthropic contributions of up to \$100 million; and
 - (b) Additional research activity that will produce new Federal funded project indirect cost recoveries of \$9 million per year that will support debt-service payments for debt of nearly \$150 million; and

WHEREAS, the projected \$100 million of philanthropic contributions represents a larger sum than the University has ever raised in contributions dedicated to a specific building in the past; and

WHEREAS, the sources of additional debt-service related indirect cost recoveries of \$9 million per year would require an increase in Federally funded research of over \$30 million per year and would require 60 or more new senior faculty researchers, more than the University has ever recruited for a single academic area; and

WHEREAS, the Administration and the University's faculty have articulated specific ambitious goals, as described in the University Strategic Plan and the report to the Middle States Accrediting Commission, to increase the scope and quality of education and faculty in many Schools and departments of the University in addition to engineering and science, and the initiatives to achieve those goals will require new support of millions of dollars a year; and

WHEREAS, Article IX.A of the *Faculty Code* provides that:

“The regular, active-status faculty shares with the officers of administration the responsibility for effective operation of the departments and schools and the University as a whole.

“In the exercise of this responsibility, the regular, active-status faculty . . . participates in the formulation of policy and planning decisions affecting the quality of education and life at the University. . . .”; and

WHEREAS, Article IX.B of the *Faculty Code* further provides that:

“The faculty cannot perform an effective and responsible role in University decision making without the cooperation of the administrative officers of the University. This cooperation includes the provision of such information as is necessary to the development of sound, well-informed recommendations.

“Faculty bodies charged with responsibilities for particular policy and planning areas are entitled, to the extent feasible, to be informed sufficiently in advance of important decisions within their areas of competence to be able to provide their advice or recommendations to the appropriate University officials.”; and

WHEREAS, Article III, Section 1 of the *Faculty Organization Plan* provides that:

“The Faculty Senate, on behalf of the Faculty, shall, with respect to matters that are of concern to more than one college, school, or division, or to the Faculty:

- (1) Formulate principles and objectives and find facts, so as to recommend policies to the President; . . .
- (2) [O]n its own initiative – consider any matters of concern or interest to more than one college, school, or division, or to the Faculty, and make its recommendations or otherwise express its opinion with respect thereto, to the Assembly, the President, or through the President to the Board of Trustees. . . .”; and

WHEREAS, the Administration has informed the Faculty Senate that it intends to request final approval for the construction of the SEC building from the Board of Trustees in October 2010;

NOW THEREFORE

BE IT RESOLVED BY THE FACULTY SENATE OF THE GEORGE WASHINGTON UNIVERSITY

That, if there is a University commitment to construct the SEC building, the Administration provide for continued, frequent, regularly scheduled reports to the Faculty Senate and meetings with a Special Committee of the Senate on the financial and budgetary impact of the SEC building including:

- (1) The direct costs of construction, as well as related costs associated with furnishing, operating and staffing the SEC building, together with the replacement costs of parking facilities;
- (2) The status of fundraising for philanthropic contributions to meet the goal of \$100 million; and
- (3) The status of additional Federally funded research activity that will produce new debt-service related cost recoveries of \$9 million per year; and
- (4) Any other options or plans under consideration to finance the direct and related costs of the SEC building.

Faculty Senate Committee on Fiscal Planning and Budgeting
September 28, 2010