

To be introduced at the Faculty Senate meeting on April 14, 2006

**A RESOLUTION REGARDING THE UNIVERSITY BUDGET FOR FY 07 (05/8)**

**WHEREAS,**

Current University budget projections estimate a “gap” between revenues and expenses of \$8.2m for FY 07 and slightly larger gaps for FY 08 AND FY 09, indicating that the University is currently on an unsustainable path; and

**WHEREAS,**

These gaps have been the subject of intense and helpful discussions between the Faculty Senate and Administrative Officers; and

**WHEREAS,**

It seems appropriate to focus on closing the gap for FY 07, where the estimates are less speculative than for later years, noting that the gap is small relative to the total University revenue budget of some \$467m; and

**WHEREAS,**

There are a number of options for closing this gap, including devising enhanced revenues and/or changes in assumed/projected expenditures in different areas, including capital expenditures, general administrative expenses, student financial aid, and academic programs; and

**WHEREAS,**

The University faculty is deeply committed to improving or at least maintaining the quality of education provided to University students, and is troubled by recent trends in full-time faculty resources growing at a much slower rate(17%) than enrollments (60% for undergraduates) over the last ten years; and

**WHEREAS,**

Additional reductions in support for academic programs in FY 07 would inevitably lead to a reduction in the quality of education for University students, especially undergraduate students; and

**WHEREAS,**

Current projected transfers from the operating budget to capital expenditures and debt service for FY 07 exceed the amounts required by current University commitments,  
**NOW, THEREFORE**

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

1. That the revenue/expense gap in the University budget for FY 07 should be closed without a reduction in support for academic programs, and
2. That non-academic cuts in expenses by which the gap in the University budget for FY 07 may be closed include:
  - A. Reducing projected transfer of funds from current revenues to capital spending and debt service by \$5 m
  - B. Deriving another \$3.2 m from:
    - 1) reductions in expenditures in Administrative Offices reporting to the Executive Vice President and Treasurer, and from
    - 2) increasing net revenues from Auxiliary Services
    - 3) reducing projected expenditures in the Office Student and Academic Support Services, including possible reductions in the discount rate for incoming students
3. That the projected university budget gaps for FY 08 AND FY 09 should be addressed:
  - Beginning in May 2006, by a budget process that includes full and active participation by representatives of the faculty designated by the Faculty Senate
  - Such process should include, starting in October, 2006 and continuing thereafter on a regular basis, reports to the Faculty Senate by the faculty representatives and the University Administration, covering both the status of the University budget for future years and the advantages and disadvantages of possible options to address any gaps in future years

Executive Committee of the Faculty Senate  
April 12, 2006