Thank you very much. I thought that probably what I ought to do is bring everybody up to date on where we are on a variety of things that are of great concern to all of us. The first, of course, is the capital plan that you all have been following as we worked our way through it. I can now say, with some degree of confidence, that we have a reasonable schedule, which I think that we can actually believe is going to happen—when all of these projects will start, how they will flow through, and when they will finish. We should be able to post that pretty soon. The building authority has become considerably more effective and efficient, so we think that we are now on track to get our buildings accomplished.

The second thing is that, in the process of dealing with these buildings, especially the big three, we have taken the opportunity to try and do them all together. The user groups for those buildings will meet together. They have been talking about how to create the space so that it flows through from all of those buildings and we can get some place to unload the garbage that isn’t the front door, and various other innovations in construction and management on campus. That will be a plus, I think, in the way the campus looks by the time that we are done.

The other side of that equation is that all of us, beginning probably in the summer, and then well into the fall and subsequent years, will be living with an extraordinarily messed up campus. We all walk by the library deck replacement and we think, “Gee, isn’t this a significant amount of digging going on?” Well, just wait. There will be a lot more and that will mean that there will be detours and there will be all kinds of things that we will cope with. Remember, celebrate it, it is new dirt! Celebrate it, because it is what will save us and allow us to be successful with our faculty and our staff and our students. It will allow us to retain our competitiveness, so while we struggle with the dirt, and while we struggle with the detours around places that we normally walk, every time you do, you want to celebrate that achievement, because without it, we will not be successful. This is all good news. We will also try to do a more graceful job of putting up fences and pathways around construction projects, because now they won’t be accidents, but will actually be planned and organized and structured, and you will know about them. We will try to do a better job of how we set up those detours and pathways.

The digging up of the steam pipes will continue forever. No one needs to think of that as a closure activity. That is a permanent activity. I stopped by one of those holes in the ground and asked the guy who was supervising it all, and said, “Well, when will we be done?” He looked at me like I was from Mars, and he said, “Not soon.” I said, “How many miles of pipes do we have?” He said, “We have twenty-two miles of pipes.” I said, “Twenty-two miles? Well, when will you be done?” He responded, “I won’t ever be done. I am going to retire before that happens. I’ve got another fifteen years.” Well, so I thought, probably I could stop worrying about the pipes; just wait for the next hole to come out of the ground someplace. But that is good news, because they will start building the new steam plant soon. When that new steam plant is in operation, obviously, it will put out a little more pressure and we would like the pipes not to blow up. So this is all good news, these repairs that are going on.

On the main operating budget side, I think that the answer there is that the good news is nobody is talking about cutting us. The not-so-good news is nobody is talking about increasing us by any significant amount either. Because various costs that the institution absorbs are going up, we will be very, very careful what we do with our money over the next year, because we will not see major increases. Now, we certainly will have the collective bargaining conversation on the side, which will take care of itself and run its normal course. One hopes that out of that process will come some significant increases for faculty and staff, but that is a conversation conducted primarily both through the collective bargaining process on one side, and the political process on the other. Everybody will be mobilized in support of that process, and we hope it turns out well, but one doesn’t know for sure. As far as the operating budget is concerned, we are where we are.

Now that means that we have to pay special attention to one of my themes, and that is we have to generate revenue, because the State will not generate large amounts of new revenue for us. They will be hard pressed to maintain the revenue they now provide us, with all of the claims on their resources from health care, and other accelerating costs of the Commonwealth. Also we have a structural deficit in the Commonwealth of a billion some odd dollars that they are working on and trying to cope with in this current economy. While it is recovering, it is not recovering at a rapid rate that will allow us to imagine that they will have lots of surplus. We have to go after revenue and that means that we have to work as best we can with continuing education to generate dollars and many of our colleges are working on that. We have to try and support our research enterprise as much as possible, because that is a method of leveraging the investments we make to get state and federal and other money to come and support our infrastructure, our faculty, and our quality. We have to try and expand our enrollment with high-quality students that we attract both from the Commonwealth and out of state, so that the population we have will continue to grow, so we can get the kind of critical mass here that we need.
Now in that conversation, one of our most important activities is the replacement of the faculty that were lost through the big retirement cycle. We are making a lot of progress on that to the extent that the hiring that is going on and the searches that are going on are quite numerous and significant. We are supporting a large number of restaurants in the Amherst area with interviews and various other visits. We are wearing out the charm of many of our faculty who serve on these search committees, but nonetheless, it is a critically important activity. So far, we have been extremely successful in recruiting truly outstanding faculty to join us as part of this replacement process. That is, in many ways, one of the most encouraging signs of the vitality of the campus, the quality of the new faculty that we have been able to recruit to this campus. At the same time, as we continue to do that, we have not yet brought the number of faculty up to a level that makes any of us feel warm, fuzzy, and comfortable. We are, probably by the time we get through this year, still going to be under a thousand. That is too few. We need to get over a thousand. We need to be the eleven hundred range of faculty, at least. One of our principle issues will be how to generate the revenue capable of sustaining an increased faculty size. This is a non-trivial activity. It is a very significant challenge for us. So that relates to our ability to generate revenue.

Our fundraising campaign start up is going pretty well. We have gotten our various colleges reasonably well staffed with development people. We have installed a computer system. We have begun the process of organizing the volunteer support structure that is essential for every private fundraising campaign that is successful in American research universities. It is a long process. While it will generate significant amounts of money between now and the time we finish our campaign cycle, which is probably about seven years, it doesn't generate immediate cash. Nobody should imagine that, because we find some generous souls out there, the next day there will be new money in everyone's pocket. Normally what happens is that we get a gift, the gift gets paid in over a couple of years, goes into an endowment, takes a year or so for the endowment to produce revenue, and then we have a chair or some other activity of scholarship that we can use. This is a long process and it's an infrastructure-building process. We are behind the wave, as you all know, so to catch up will take us a little bit of time and an enormous amount of effort, but it is an absolutely essential part of what we must do to maintain our national competitiveness. There is no escape from that work.

The other good news we have—John Dubach is certainly looking much more relaxed than he has in the past—is that SPIRE appears to be working. It appears to be working without any significant errors. Students appear to be able to sign up. The response time is perfectly reasonable. Students are getting enrolled at rates that are as good as or better than ever before. We continue to hold our breath that technology will carry us through the cycle, but all the signs are good. The big chunk that would have come in by now has come in, has been processed, and things are going along. That does not mean that we are entirely happy with every part of SPIRE, but at least the damn thing is working, and that has cheered us up considerably.

Finally, as you know, the legislature is in the process of reorganization in the House. We have a new Speaker, who is a fine fellow, and appears to have a considerable interest in the things we are interested in. How all of those things shake out by the time the legislature is in session, it is hard to tell. So I can't predict anything about the politics of Massachusetts, and when I talk to people who have lived here for fifty years or so, they don't appear able to do it either, so I don't feel terribly inadequate on this. Nonetheless, it is certainly interesting to watch and I recommend that we all try to take as much entertainment from it as possible, because I am not sure that we can influence it a whole lot. With that, I'll be happy to take questions from anybody on anything.