

## The Truth. The Whole Truth and Nothing but the Truth (Well maybe not...)

December 2008 was a long time ago. Faculty and administrators have come and gone, but President Saunders got her airplane and according to the Foundation financial records is committed to keeping it through 2019.

Through its wholly-owned subsidiary, Foundation Aviation Holdings LLC, The Foundation leases an airplane to the university under a direct financing arrangement. The lease expires in 2019.

See Foundation Financial Statements [June 30, 2010 and 2009](#), p. 21 and [June 30, 2011 and 2010](#), p. 21.

This series will revisit some of the whoppers that were told in conjunction with the plane lease. Let's begin with the sales job undertaken by former-Provost Bob Lyman on behalf of President Saunders.

At a [December 5, 2008](#) Faculty Senate meeting, Dr. Lyman made the following claims:

**Claim:** The Provost emphasized strongly that the deal is still in negotiation, and is not complete.

**Fact:** On November 21, 2008, [Dr. Saunders had already signed](#) the lease agreement. Maybe Dr. Saunders forgot that she had signed the lease agreement nearly two weeks before she sent Dr. Lyman over to make this claim to the Faculty Senate.

**Claim:** There will be scheduled trips with published rates.

**Fact:** Has anyone seen a schedule, with or without published rates? I didn't think so.

**Claim:** Total cost [associated with the plane] is approximately \$200,000 per year.

**Fact:** Dr. Saunders' calculation of annual costs is the monthly lease payment (for the initial 5 years of the lease) multiplied by 12 ( $\$16,482.40 \times 12 = \$197,140.08$ ). The lease payment ignores the \$907,053.85 balloon payment due on the 60th month of the lease. The total cost claimed by Dr. Saunders also ignores the University's obligation to pay ALL COSTS associated with the plane. According to the University's own records, and not considering that humongous \$907,053.85 balloon payment the [total actual cost outflows](#) for the plane through December 2011 were **\$1,163,207.05**.

Stand by for more in this series as we see just what Dr. Saunders is willing to say to get what she wants.