



DECEMBER 2010 UPDATE

This past week I attended System CEO meetings and the December meeting of The Texas A&M University System Board of Regents. A major topic of discussion at each of these meetings was the current and projected State government budget revenue shortfalls and potential impact on the appropriations for higher education for the remainder of the current biennium and the upcoming biennium.

Although we won't know anything definitive about the upcoming biennium budget appropriations until well into the legislative session, the picture is becoming slightly clearer on how we need to prepare. We were notified today that our current fiscal year's general revenue budget is to be cut an additional 2.5 percent, over and above the 5.0 percent cut which we have already taken. We don't know yet the base to which this cut will be applied, but I'm anticipating this will be a cut of something between \$1 to 1.5 million which must be made during the last eight months of this fiscal year.

The projections we are hearing with regard to the upcoming biennium appropriation budget is that it will be at least 15 percent less than the original biennium appropriation with which we started the current biennium, and as much as 20 percent less. That translates to cuts in the neighborhood of \$4 to \$6.5 million per year for WTAMU. Over the next couple of years, we will not be able to make this up in tuition increases or growth in enrollment. In the long term, though, we can.

We must deal with the short-term now. I am forming, therefore, an *ad hoc* Exigency Planning Committee (EPC). This Committee shall be composed of the full membership of the Strategic Planning Steering Committee plus two tenured faculty members elected by the Faculty Senate and two students appointed by the president of Student Government. This committee will have broad representation from across campus: representation from each of the major divisions (academic affairs, business and finance, enrollment management, institutional advancement, student affairs, PPHM, information technology, and athletics), faculty (three members to include the faculty senate president), staff (to include the staff council president, and students (to include student government president).

I do not anticipate that we will need to declare a condition of exigency. However, I do anticipate we are going to be compelled to reduce some programs and even terminate other programs.

The role of the EPC shall be to hear all evidence regarding the necessity to terminate or reduce one or more programs, and to issue a written report regarding the existence and extent of the condition to the President/CEO and to the Faculty Senate. If the EPC determines that conditions exist whereby it is necessary to consider program terminations or reductions, it shall formulate recommendations concerning alternative institutional responses. In the EPC's review, it will have full access to all budgets of the university and to the budget proposals currently being developed by departments, colleges, and divisions. The EPC will also participate in budget hearings that will take place during the beginning months of 2011. These hearings will be open to anyone who wants to attend. In its deliberations the EPC will follow guidelines established by TAMUS Regulation 33.99.15: Reduction in Force for Nonfaculty Employees and TAMUS BOR Policy 12.01: Academic Freedom, Responsibility and Tenure, especially Section 9: Tenure, Financial Exigency, and Termination or Reduction of Programs. In addition, we have developed a procedure for implementing Section 9 that is under review now at the Office of General Counsel.

We are scheduling a Town Hall meeting before the Christmas break and will schedule another meeting in January at which we can discuss the budgetary situation with you and respond to your questions.

I fully understand this is not the best time of the year to be providing this message. However, I want everyone to be fully informed. I also want everyone to know we will work as hard as possible to minimize the number of programs and positions affected.

Additionally, I want to congratulate the full university community for all of the great accomplishments of this past year in spite of the budget cuts we've sustained. During the past year, we graduated a record number of students; six year graduation rates hit an all-time high; our students continued to excel in both academic and athletic competitions; and faculty members garnered national and international recognition and awards. Faculty and staff members also demonstrated their deep commitment to WT and to the students of WT by taking on higher class loads and workloads and through their strong support of the *I AM WT* campaign.

In spite of the impact of impending budget cuts, working together, we will continue to advance WT as a superior institution of higher education.

GO BUFFS!