



Nov. 20, 2008

About all we read and hear in the news these days is that the economy is in a downturn. We read and hear of the financial crisis, the mortgage crisis, depressed stock prices, plummeting 401k balances, job layoffs in the private sector, and budget cuts in higher education in Florida, Tennessee, Kentucky, Arizona and the Carolinas.

The economy of Texas is not immune to what happens at the national and international levels. However, the Texas economy has not been as hard hit as that of other states. Due to the favorable business environment of the State and fiscally responsible behavior on the part of the legislature and Governor Perry's administration, Texas is in relatively good shape. Therefore:

I do not anticipate any State or System mandated budget cuts at WTAMU this fiscal year.

In fact, in the last legislative session, the Governor proposed and the legislature approved the establishment of the Higher Education Performance Incentive Initiative. The purpose of the Incentive Initiative is for improvement in teaching and educational excellence at Texas public general academic teaching institutions. Through this Act, \$100,000,000 in General Revenue funds was appropriated for fiscal year 2009 to be allocated by the Texas Higher Education Coordinating Board. Of this amount \$20,000,000 was set aside in support of scholarships for students graduating in the top 10% of their high school class, and the remaining \$80,000,000 was distributed to the public universities in the State. Allocation of the \$80,000,000 was made on the basis of the number of graduates and increases in graduates over the past several years. Last week, WTAMU received its allocation of \$1,580,142. The funds must be spent prior to August 31, 2009. In that this is one time funding, it cannot be used to establish new positions nor provide salary increases.

These funds will be used to:

1. Ensure funding is available to offer a full menu of courses for summer sessions and intercessions.
2. Fund a pilot Summer Bridge Program for at-risk students.
3. Provide seed funding for a Center for Teaching Excellence.
4. Provide seed funding for enhancing the University's learning assessment program.
5. Reduce selected course fees for students.
6. Provide a one time increase in the maintenance and operating budgets of academic departments.
7. Purchases of equipment and library material.

In the next couple of months we will be engaged in the new legislative session. I suspect given the status of the national economy, it is going to be an interesting session. I will keep you posted as to legislation that affects WTAMU.