

**ANGELO STATE UNIVERSITY**  
**10% BUDGET REDUCTION PLAN**  
**Overview of Strategies Undertaken to Address the State Mandate**  
**September 2010**

On January 15, 2010, the University received a letter from the Governor, Lieutenant Governor, and Speaker of the House requesting that the University reduce its budget by 5% for each fiscal year of the FY 2010-FY 2011 biennium. Angelo State University's total reduction was \$2,140,652.

Given the letter was received in the middle of the fiscal year, the University received permission to submit 3% for FY 2010 and the remaining 7% in FY 2011. On August 31, 2010, the University submitted \$535,163 to the State Comptroller. A plan for the remaining reduction of \$1,605,489 was presented to the University community on August 31, 2010. These reductions apply **only** to Education & General and Designated Tuition Funds.

- 1) **Reduce Student Wage Budgets by 2%** - Typically, student wage budgets are not fully expended in any given year. These budget reductions will not impact individual student employees. This strategy will produce \$31,105.48 in savings.
- 2) **Center for Security Studies Transfers** - The Center for Security Studies is funded by a Federal Cooperative Agreement with the Department of Defense. Several ASU employees are spending time working directly on the activities of the grant. The salaries and benefits paid these individuals are being transferred to the grant which releases E & G funds to be applied to the reduction plan. This strategy will generate \$125,000.
- 3) **Other Salary Savings** - Salary savings will be captured for all positions that are vacant and/or are vacated and not filled. Positions that are filled at a lower salary than the previous occupant will also generate salary savings that will be captured. In other words, **departments will NOT keep the salary savings as has been done in the past.** Also, **positions are not being eliminated or frozen.** This strategy will generate \$171,912.27.
- 4) **5% Maintenance and Operation Reduction** - A reduction of all M & O accounts, **effective immediately,** in the amount of 5% will generate \$527,471.25.
- 5) **Utility Savings** - In addition to the above reduction, \$50,000 will be reduced from the utility account. This strategy will require energy conservation efforts from everyone.
- 6) **Excess Revenue** - The remaining reduction will be covered with revenue generated above the budget. ASU budgeted for FY 2011 180,000 semester credit hours, or approximately 6500 students. Enrollments exceeding this threshold will be applied to fully fund the required reduction.

While budget reductions are difficult for any state supported entity, ASU has been able to identify those areas with the least impact on our students and their programs of study.