



STATE OF TEXAS

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January 15, 2010

TO: State Agency Board/Commission Chairs  
State Agency Heads/Executive Directors  
Appellate Court Chief Justices  
Chancellors, Presidents and Directors of Institutions of Higher Education  
Presidents and Directors of Health-Related Institutions  
Presiding Officers of the Texas House and Texas Senate

In Texas, we have been fortunate that our economy has fared better than most other states during the current national recession. Nevertheless, Comptroller Susan Combs noted in her November 2009 economic update that our revenues have "weakened substantially as the national recession began exerting its full influence on Texas." Due to the uncertainty of the state's short-term economic future, as well as potentially substantial long-term costs associated with the passage of federal legislation currently being debated in Washington, D.C., we are asking each state agency to thoroughly review all planned expenditures for the remainder of the biennium.

We respectfully request that each state agency submit a plan to identify savings in priority increments totaling 5 percent of the general revenue and general revenue-dedicated appropriations for the 2010-11 biennium. Please submit these plans to the Legislative Budget Board and the Office of the Governor's Budget, Planning and Policy division, no later than February 15, 2010. Agencies under the jurisdiction of the Texas Health and Human Services Commission should work with the commissioner to present a unified plan. Likewise, each institution of higher education represented by a system office should submit a unified plan for the system and its components.

Your plan should represent prudent, efficient reductions that minimize the impact on direct services. For purposes of this review, we expect you to analyze the necessity of all administrative expenses and purchases. Reducing direct services should be your last option, but should be identified, if necessary, in order to meet the 5 percent target. Specifically, there should be no reductions to benefits or client eligibility levels in the Medicaid entitlement, Children's Health Insurance Program and foster care programs, and no reductions to eligibility staffing. Programs exempt from this request include the Foundation School Program, Social Security contributions, contributions to the Teacher and Employees Retirement Systems' retirement programs, contributions to the Higher Education Fund, and debt service for previously issued obligations.

Texas has a balanced budget and comparatively sound economic conditions. However, we owe it to the taxpayers to be especially prudent with their hard-earned dollars during these difficult times. Thank you in advance for your assistance.

Sincerely,

Handwritten signature of Rick Perry in black ink.

Rick Perry  
Governor

Handwritten signature of David Dewhurst in black ink.

David Dewhurst  
Lieutenant Governor

Handwritten signature of Joe Straus in black ink.

Joe Straus  
Speaker of the House 7

**Calculation of 2010-11 General Revenue Contributions**

| DISTRICT                       | Generic Formula | Hold Harmless | Small Inst. Supp. | Special Items | B.A.T.  | ARRA Swap      | = | 2010-11 GR Contributions | Total 5% GR Reduction |
|--------------------------------|-----------------|---------------|-------------------|---------------|---------|----------------|---|--------------------------|-----------------------|
| 1 Alamo Community College      | \$ 144,268,383  | \$ -          | \$ -              | \$ -          | \$ -    | \$ (1,187,014) |   | \$ 143,081,369           | \$ 7,154,068          |
| 2 Alvin Community College      | 15,960,993      | 952,424       | -                 | -             | -       | (131,324)      |   | 16,782,093               | 839,105               |
| 3 Amarillo College             | 33,212,825      | 1,093,708     | -                 | -             | -       | (273,269)      |   | 34,033,264               | 1,701,663             |
| 4 Angelina College             | 15,706,602      | 1,107,827     | -                 | -             | -       | (129,231)      |   | 16,685,198               | 834,260               |
| 5 Austin Community College     | 93,056,816      | -             | -                 | 1,000,000     | -       | (765,654)      |   | 93,291,162               | 4,664,558             |
| 6 Blinn College                | 46,701,829      | -             | -                 | 712,496       | -       | (384,254)      |   | 47,030,071               | 2,351,504             |
| 7 Brazosport College           | 10,127,270      | 1,388,499     | -                 | -             | 185,532 | (83,325)       |   | 11,617,976               | 580,899               |
| 8 Central Texas College        | 42,365,861      | -             | -                 | -             | -       | (348,579)      |   | 42,017,282               | 2,100,864             |
| 9 Cisco Junior College         | 11,275,060      | -             | -                 | -             | -       | (92,769)       |   | 11,182,291               | 559,115               |
| 10 Clarendon College           | 4,446,305       | -             | 898,817           | -             | -       | (36,583)       |   | 5,308,539                | 265,427               |
| 11 Coastal Bend College        | 13,485,106      | 146,911       | -                 | -             | -       | (110,953)      |   | 13,521,064               | 676,053               |
| 12 College of the Mainland     | 12,102,671      | 611,453       | -                 | -             | -       | (99,579)       |   | 12,614,545               | 630,727               |
| 13 Collin County College       | 63,668,815      | -             | -                 | -             | -       | (523,855)      |   | 63,144,960               | 3,157,248             |
| 14 Dallas County College       | 195,988,176     | -             | -                 | 3,865,476     | -       | (1,612,555)    |   | 198,241,097              | 9,912,055             |
| 15 Del Mar College             | 37,179,830      | 137,524       | -                 | -             | -       | (305,909)      |   | 37,011,445               | 1,850,572             |
| 16 El Paso Community College   | 67,298,344      | -             | -                 | -             | -       | (553,718)      |   | 66,744,626               | 3,337,231             |
| 17 Frank Phillips College      | 4,943,630       | -             | 746,210           | -             | -       | (40,675)       |   | 5,649,165                | 282,458               |
| 18 Galveston College           | 6,865,906       | 2,401,477     | 191,316           | -             | -       | (56,491)       |   | 9,402,208                | 470,110               |
| 19 Grayson County College      | 14,881,232      | -             | -                 | -             | -       | (122,440)      |   | 14,758,792               | 737,940               |
| 20 Hill College                | 13,811,538      | -             | -                 | 720,001       | -       | (113,639)      |   | 14,417,900               | 720,895               |
| 21 Houston College             | 140,674,225     | -             | -                 | -             | -       | (1,157,442)    |   | 139,516,783              | 6,975,839             |
| 22 Howard College              | 16,547,535      | -             | 1,074,206         | 6,201,846     | -       | (136,150)      |   | 23,687,437               | 1,184,372             |
| 23 Kilgore College             | 25,139,214      | -             | -                 | -             | -       | (206,841)      |   | 24,932,373               | 1,246,619             |
| 24 Laredo College              | 23,933,022      | 1,346,777     | -                 | 421,775       | -       | (196,917)      |   | 25,504,657               | 1,275,233             |
| 25 Lee College                 | 20,569,400      | -             | -                 | -             | -       | (169,241)      |   | 20,400,159               | 1,020,008             |
| 26 Lone Star College           | 123,231,678     | -             | -                 | -             | -       | (1,013,928)    |   | 122,217,750              | 6,110,888             |
| 27 McLennan College            | 28,175,326      | -             | -                 | -             | -       | (231,821)      |   | 27,943,505               | 1,397,175             |
| 28 Midland College             | 19,165,605      | 291,284       | -                 | 997,404       | 130,776 | (157,691)      |   | 20,427,378               | 1,021,369             |
| 29 Navarro College             | 30,316,596      | -             | -                 | -             | -       | (249,439)      |   | 30,067,157               | 1,503,358             |
| 30 North Central Texas College | 21,019,757      | -             | -                 | -             | -       | (172,947)      |   | 20,846,810               | 1,042,341             |
| 31 Northeast Texas             | 8,464,014       | -             | -                 | -             | -       | (69,640)       |   | 8,394,374                | 419,719               |

| DISTRICT                   | Generic Formula  | Hold Harmless | Small Inst. Supp. | Special Items | B.A.T.     | ARRA Swap       | = | 2010-11 GR Contributions | Total 5% GR Reduction |
|----------------------------|------------------|---------------|-------------------|---------------|------------|-----------------|---|--------------------------|-----------------------|
| 32 Odessa College          | \$ 15,427,973    | \$ 1,519,554  | \$ -              | \$ -          | \$ -       | \$ (126,939)    |   | \$ 16,820,588            | \$ 841,029            |
| 33 Panola College          | 7,518,485        | -             | 133,713           | -             | -          | (61,861)        |   | 7,590,337                | 379,517               |
| 34 Paris Junior College    | 17,463,188       | -             | 1,081,626         | -             | -          | (143,684)       |   | 18,401,130               | 920,057               |
| 35 Ranger Junior College   | 3,006,756        | 129,304       | 1,043,560         | -             | -          | (24,739)        |   | 4,154,881                | 207,744               |
| 36 San Jacinto College     | 77,766,992       | -             | -                 | -             | -          | (639,853)       |   | 77,127,139               | 3,856,357             |
| 37 South Plains College    | 30,220,079       | -             | -                 | -             | -          | (248,645)       |   | 29,971,434               | 1,498,572             |
| 38 South Texas College     | 60,474,788       | -             | -                 | -             | 662,594    | (497,575)       |   | 60,639,807               | 3,031,990             |
| 39 Southwest Texas College | 14,794,478       | 614,585       | -                 | -             | -          | (121,726)       |   | 15,287,337               | 764,367               |
| 40 Tarrant County          | 105,940,741      | -             | -                 | -             | -          | (871,661)       |   | 105,069,080              | 5,253,454             |
| 41 Temple Junior College   | 16,550,179       | -             | -                 | -             | -          | (136,172)       |   | 16,414,007               | 820,700               |
| 42 Texarkana College       | 18,603,391       | -             | -                 | -             | -          | (153,065)       |   | 18,450,326               | 922,516               |
| 43 Texas Southmost College | 25,819,638       | 2,146,004     | -                 | -             | -          | (212,439)       |   | 27,753,203               | 1,387,660             |
| 44 Trinity Valley College  | 23,875,681       | -             | -                 | -             | -          | (196,445)       |   | 23,679,236               | 1,183,962             |
| 45 Tyler Junior College    | 36,315,179       | -             | -                 | -             | -          | (298,795)       |   | 36,016,384               | 1,800,819             |
| 46 Vernon College          | 11,037,087       | -             | 756,620           | -             | -          | (90,811)        |   | 11,702,896               | 585,145               |
| 47 Victoria College        | 13,118,538       | 513,636       | -                 | -             | -          | (107,937)       |   | 13,524,237               | 676,212               |
| 48 Weatherford College     | 15,607,887       | 860,373       | -                 | -             | -          | (128,419)       |   | 16,339,841               | 816,992               |
| 49 Western Texas College   | 7,949,561        | -             | 73,932            | -             | -          | (65,408)        |   | 7,958,085                | 397,904               |
| 50 Wharton College         | 17,009,733       | -             | -                 | -             | -          | (139,953)       |   | 16,869,780               | 843,489               |
|                            | \$ 1,823,083,918 | \$ 15,261,340 | \$ 6,000,000      | \$ 13,918,998 | \$ 978,902 | \$ (15,000,000) |   | \$ 1,844,243,158         | \$ 92,212,159         |

**ITEM REDUCTIONS BY METHOD OF FINANCING**  
 81st Regular Session, 2010-11 Item Reductions  
 Automated Budget and Evaluation System of Texas (ABEST)

Date: 2/15/2010  
 Time: 6:15:13PM  
 Page: 1 of 2

Agency code: 980

Agency name: Southwest Texas Junior College

| Item Priority and Name/ Method of Financing   | 2010             | 2011             | Biennial Total | Target |
|---|------------------|------------------|----------------|--------|
| <b>1 Institutional Support</b>  |                  |                  |                |        |
| <b>Item Comment:</b> Cuts in this area will negatively impact the administrative functions of the institution, resulting in possible service reductions to students, staff and the community as a whole.  |                  |                  |                |        |
| GENERAL REVENUE FUNDS   |                  |                  |                |        |
| 1 General Revenue Fund  | \$112,500        | \$112,500        |                |        |
| <b>General Revenue Funds Total</b>  | <b>\$112,500</b> | <b>\$112,500</b> |                |        |
| <b>Item Total</b>   | <b>\$112,500</b> | <b>\$112,500</b> |                |        |
| <b>2 Academic Support</b>   |                  |                  |                |        |
| <b>Item Comment:</b> Southwest Texas Junior College is committed to doing our part in support of the Governor and Legislature by potentially reducing library services and other areas of academic support, should the reduction be enacted.  |                  |                  |                |        |
| GENERAL REVENUE FUNDS   |                  |                  |                |        |
| 1 General Revenue Fund  | \$89,000         | \$89,000         |                |        |
| <b>General Revenue Funds Total</b>  | <b>\$89,000</b>  | <b>\$89,000</b>  |                |        |
| <b>Item Total</b>   | <b>\$89,000</b>  | <b>\$89,000</b>  |                |        |
| <b>3 Student Services</b>   |                  |                  |                |        |
| <b>Item Comment:</b> SWTJC will work with the Governor and Legislature to amend the student services budget in an effort to reach the 5% target. The cost is the possibility of providing a lower level of service to potential students, those seeking financial aid and job placement, and students involved in campus organizations. Longer processing times and lines for students are possible consequences. |                  |                  |                |        |
| GENERAL REVENUE FUNDS   |                  |                  |                |        |
| 1 General Revenue Fund  | \$62,500         | \$62,500         |                |        |
| <b>General Revenue Funds Total</b>  | <b>\$62,500</b>  | <b>\$62,500</b>  |                |        |
| <b>Item Total</b>   | <b>\$62,500</b>  | <b>\$62,500</b>  |                |        |
| <b>4 Instruction</b>  |                  |                  |                |        |

\* - Indicates amount does not meet target requirements.

**ITEM REDUCTIONS BY METHOD OF FINANCING**  
 81st Regular Session, 2010-11 Item Reductions  
 Automated Budget and Evaluation System of Texas (ABEST)

Date: 2/15/2010  
 Time: 6:15:13PM  
 Page: 2 of 2

Agency code: 980

Agency name: Southwest Texas Junior College

| Item Priority and Name/ Method of Financing | 2010 | 2011 | Biennial Total | Target |
|---|------|------|----------------|--------|
|---|------|------|----------------|--------|

**Item Comment:** Because the spring semester is already underway, the potential cuts if enacted, could impact offerings in the summer terms. It will limit funds available for instructional purposes.

The institution has experienced tremendous growth with limited funds in the 2010 fiscal year. If enacted, the reduction could negatively impact instructional programs due to the need to serve the increased student population with diminished resources.

GENERAL REVENUE FUNDS

|                                     |                  |                  |                  |                  |
|-------------------------------------|------------------|------------------|------------------|------------------|
| 1 General Revenue Fund              | \$118,184        | \$118,183        |                  |                  |
| <b>General Revenue Funds Total</b>  | <b>\$118,184</b> | <b>\$118,183</b> |                  |                  |
| <b>Item Total</b>                   | <b>\$118,184</b> | <b>\$118,183</b> |                  |                  |
| <br>                                |                  |                  |                  |                  |
| <b>Agency General Revenue Total</b> | <b>\$382,184</b> | <b>\$382,183</b> |                  |                  |
| <b>Agency GR Dedicated Total</b>    |                  |                  |                  |                  |
| <b>Agency Grand Total</b>           | <b>\$382,184</b> | <b>\$382,183</b> | <b>\$764,367</b> | <b>\$764,367</b> |

\* - Indicates amount does not meet target requirements.

**State of Texas**  
**Governor's Proposed 5% General Revenue Reduction**  
**SWTJC - Potential Cuts**

| <b>Instruction</b>        |                |
|---------------------------|----------------|
| Biology                   | 22,184         |
| Business Administration   | 1,000          |
| Journalism                | 1,000          |
| Reading                   | 5,000          |
| Teacher Prep              | 1,200          |
| Art                       | 2,000          |
| Theatre                   | 1,000          |
| Music and Band            | 8,000          |
| Dance                     | 1,000          |
| Spanish                   | 2,500          |
| Computer Science          | 2,000          |
| Humanities                | 1,000          |
| English                   | 8,000          |
| Philosophy                | 400            |
| Speech and Education      | 5,000          |
| Interdisciplinary Studies | 1,400          |
| Math                      | 10,000         |
| Chemistry                 | 5,000          |
| Physics                   | 2,000          |
| Psychology                | 5,000          |
| Government                | 2,000          |
| History                   | 3,000          |
| Wildlife Mgt.             | 5,000          |
| Teacher Aid               | 1,000          |
| Cosmetology               | 7,000          |
| Criminal Justice          | 2,000          |
| Homeland Security         | 1,500          |
| LVN                       | 2,000          |
| Radiology                 | 5,000          |
| RN                        | 5,000          |
|                           | <b>118,184</b> |

| <b>Student Services</b> |               |
|-------------------------|---------------|
| Registrar               | 30,500        |
| Financial Aid           | 15,000        |
| VA                      | 4,000         |
| Dean of Students        | 2,000         |
| Student Activities      | 1,000         |
| Recruiting              | 5,000         |
| Career Center           | 5,000         |
|                         | <b>62,500</b> |

| <b>Institutional Support</b> |                |
|------------------------------|----------------|
| CFO                          | 1,500          |
| Dean of Technology           | 4,000          |
| Accounting                   | 10,000         |
| Purchasing                   | 2,000          |
| HR                           | 5,000          |
| IE                           | 3,000          |
| ADA                          | 10,000         |
| IE and IR                    | 4,000          |
| Public Information           | 20,000         |
| Catalog                      | 5,000          |
| SACS                         | 4,000          |
| Commencement                 | 5,000          |
| Recycling                    | 500            |
| Safety                       | 3,500          |
| Legal Fees                   | 15,000         |
| Official Functions           | 10,000         |
| Printing Center              | 5,000          |
| Telephone                    | 5,000          |
|                              | <b>112,500</b> |

| <b>Academic Support</b> |               |
|-------------------------|---------------|
| Library                 | 20,000        |
| Dean of Instruction     | 4,000         |
| Outreach                | 20,000        |
| Assessment              | 5,000         |
| ATD                     | 10,000        |
| Tech Voc Admin          | 5,000         |
| Tech Voc Dir            | 5,000         |
| Faculty Development     | 20,000        |
|                         | <b>89,000</b> |

| <b>Total Potential Cuts</b> |                |
|-----------------------------|----------------|
| Instruction                 | 118,184        |
| Academic Support            | 89,000         |
| Student Services            | 62,500         |
| Institutional Support       | 112,500        |
|                             | <b>382,184</b> |