

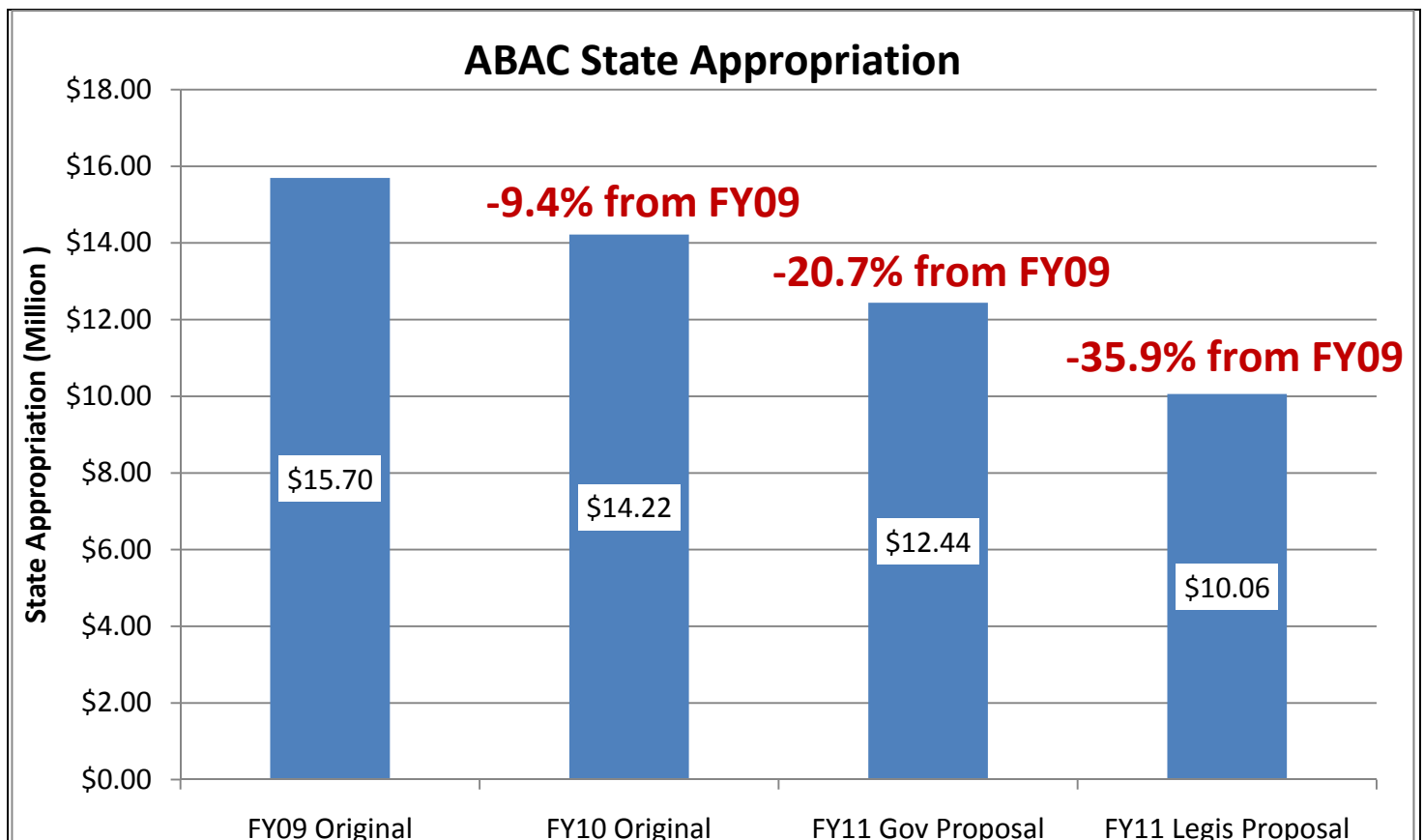
By now you are probably aware that during a recent hearing of the House and Senate Appropriations Higher Education Subcommittees, Erroll B. Davis, Jr., Chancellor of the University System of Georgia was instructed to enumerate cuts to the FY11 USG budget of \$300 million in addition to the \$265 million in cuts proposed by Governor Perdue. These cuts come after two years of very tight budgets, and they are of a magnitude that will cause irreparable damage to higher education in Georgia.

Our goal is to provide you facts on how cuts in previous years have impacted ABAC and how we will approach meeting the currently proposed cuts, should they materialize. Providing you facts will enable you to make a decision as to how you may wish to engage in this very important public policy matter. Please see our website at: <http://www.abac.edu/budget/>

How big are the proposed cuts to ABAC’s budget?

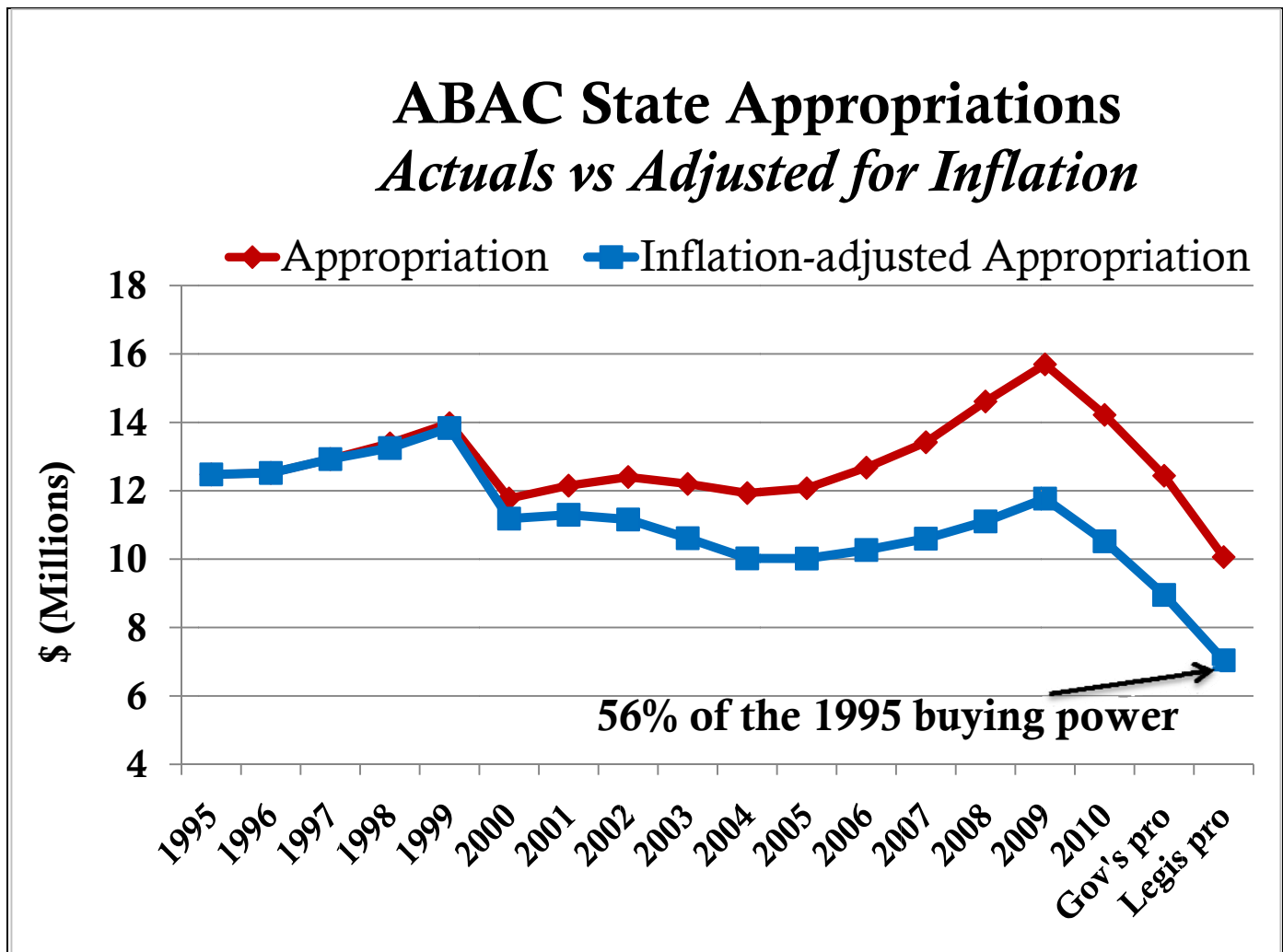
ABAC’s instructional budget comes from four sources: state appropriations, tuition, fees and federal stimulus funding. Of course auxiliaries like housing, dining and the bookstores are expected to operate as stand-alone, self-supporting enterprises and the ABAC Foundation, Incorporated, raises private funds which are vital to the College’s programs and for student scholarships. The FY09 original appropriation for ABAC was approximately \$15.7 million. The FY10 original budget (July 1, 2009 until June 30, 2010) was approximately \$14.2 million. The Governor recommended an FY11 USG budget (starts July 1, 2010) that would place ABAC’s FY11 budget at approximately \$12.4 million. The House and Senate Appropriations Higher Education Subcommittees have recommended a FY11 USG budget that would place ABAC’s FY11 budget at approximately \$10.6 million. Both the Governor and the legislature proposed reductions in funding (Figure 1).

Figure 1. ABAC State Appropriations since FY09.



More importantly, you may ask the question, what will be the extent of the setback? The answer is that it will be devastating to ABAC, the University System of Georgia and higher education in Georgia. Figure 2 illustrates historical state appropriations for ABAC. Should the cut proposed by the legislature come on top of the proposed cut by the Governor, ABAC's state appropriation would fall to just over \$10 million, which would equal state appropriations levels from 1980, when ABAC had nearly a third fewer students that it has today. When adjusted for inflation, the combined cuts would amount to buying power equal to about 50% of the buying power during 1995 (Figure 2).

Figure 2. ABAC State Appropriations, Actuals and Adjusted.



What will ABAC do to meet the proposed cuts?

On Saturday, February 27, 2010, the College submitted an eleven (11) point plan to Board of Regents detailing how the College proposed to meet the cuts (Figure 3). As far as was possible, the plan focused on protecting the College's core mission - - student instruction. The entire, detailed plan for ABAC, as well as the other 34 USG institutions can be found on the USG website at:

www.usg.edu/news/release/chancellor_provides_budget_reduction_information_to_housesenate_subcommittee/

Figure 3. ABAC Budget Reduction Plan, summarized.

Item	Amount (\$)	Positions Lost
Eliminate Regents Test	60,000.00	1
Eliminate State funding - PSBO	142,000.00	2.5
Eliminate State funding - Arts Connection	143,000.00	1.5
Greatly reduce technology replacement	150,000.00	
Eliminate State funding for technology support for students	75,000.00	1
Eliminate State funding for housing and residence life	150,000.00	3
Voluntary separation	750,000.00	8
Post office	65,000.00	2
Reduce State funding - Advancement (Advancement and Alumni)	150,000.00	2.5
Reduce faculty - decrease class offerings	513,000.00	9
Close two off-campus learning sites (Moultrie and Downton Tifton)	184,000.00	4
Totals	2,382,000.00	34.50

Should the entire cut materialize, these actions will be necessary. They will be put into place no later than July 1, 2010.

What can you do?

Faculty, staff, students, parents, alumni and supporters of the College have asked what they can do? The answer is simple - - get involved in supporting State funding for higher education, the University System of Georgia and ABAC! By visiting our website at <http://www.abac.edu/budget/> concerned citizens can find detailed information, including contact information for members of the Georgia General Assembly.

The following are critical points that need to be made regarding State funding for higher education and ABAC.

- Higher education is an investment, not a cost!
- All institutions are not equally positioned to absorb cuts. For example, ABAC is a small institution – 3,200 to 3,600 students, depending on semester. Its staff is small, employing about 267 people. There is little, if any, redundancy in critical operational areas – business, clerical staff, technology and other

back office operations. Therefore, reducing staff often equates to eliminating staff! There are many one person operations.

- ABAC provides access to higher education to students from around the State of Georgia. The College has state-wide impact in key mission areas. The College is known throughout the State and region for its programs in agriculture and natural resources, nursing and music. The new Rural Studies Program is quickly gaining visibility.
- ABAC is a high value institution. It provides quality residential instruction in a personal way by keeping class sizes small, keeping student to faculty ratios low and providing a wide range of extracurricular and co-curricular activities that engage students.
- ABAC employees are not overpaid. The average salary for the 267 employees is about \$45,000. The average salary for ABAC faculty is only \$46,000. The median salary is \$39,000. Figure 4 shows the distribution of earnings of ABAC employees. Nearly 75% of all ABAC employees make less than \$50,000 annually. The College competes in a national or international market for employees, particularly faculty. The College cannot afford to reduce pay, when we are already below national, regional and state norms.
- **If you wish to get involved, do it now!! Tell your elected officials that you don't support massive cuts to higher education, namely the USG budget.**

Figure 4. Distribution of ABAC salaries.

