



Office of the President

October 13, 2010

Dear Langston University Community of Scholars,

The following information is in response to inquiries regarding the possible fiscal impact State Question (SQ) **744** would have on higher education and Langston University specifically. SQ **744** amends the Oklahoma Constitution to require the Oklahoma State Legislature to fund public education (K-12) to at least the per pupil average of neighboring states. The total cost to implement SQ **744** is expected to be \$1.5 billion. A funding source to cover the cost is not identified.

Langston University continues to operate with a **temporary hiring and purchasing freeze** for this year. This action, in addition to a combination of the items on the listing attached, may become mandatory, dependent upon the outcome of certain ballot issues which will be voted on November 2, 2010, and if budget cuts to higher education continue.

According to the information we have:

1. If State Question **744** passes; and
2. If no additional state funding sources are found or created; and
3. If all state agencies share equally in budget cuts; then as a result of this possible scenario, the budget for Langston's E&G I fund could be reduced by **25%** the third year out (FY 2014). That would mean a loss of funding of **\$4.6** million out of a budget of \$18.3 million from the state. [This is in addition to the scheduled loss of \$1.2 million in Federal Stimulus ARRA funds at the end of this year.]

Without large increases in tuition and fees, this funding loss would also result in significant reductions in equipment, personnel and programs at Langston University.

We will continue to keep you updated on this issue.

Sincerely,

JoAnn W. Haysbert  
President

## ITEMS THAT COULD BECOME MANDATORY WITH REDUCTION IN APPROPRIATIONS

1. Employees pay portion of health insurance premiums and OTRS benefits.
2. Tuition increases of 9.3% or greater.
3. Increase fees to cover all fees paid by LU, i.e., Higher One, credit card fees, etc.
4. Students pay a portion of utilities (through a utility fee charged at some of the campuses) or increased facility fees.
5. Operating budget reductions presented by Vice Presidents.
6. Reduce faculty and adjuncts by increasing on-line courses.
7. Possible retirement incentives to reduce staff size. However, positions that are required to be replaced usually cost more and the individuals you least want to lose are the ones who typically take advantage of the incentives.
8. Increase the price of -0- level (remedial) courses or place them on-line in order to reduce faculty and adjuncts.
9. Furloughs