Written by Adam Hicks
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Appalachian State University Chancellor Dr. Kenneth Peacock sent out a mass e-mail to those close to ASU today in regard to the governor's furlough plan and other state budget cuts.

As reported yesterday, Governor Bev Perdue signed a furlough plan for all state employees, which would reduce compensation 0.5 percent on an annualized basis for the rest of the fiscal year. In return, state employees will be given 10 hours of flexible time off between June 1 and the end of the calendar year, while part-time employees will receive time off on a prorated basis.

Peacock said employee benefits funded by the state will not be reduced.

The chancellor said so far it looks like the university will be allowed to offer contracts on July 1 to faculty who were already lined up to teach classes in the fall.

Peacock also addressed the confusion on campus about why the school continues to build new facilities while the state budget has been reduced. Peacock said the funds for housing, steam repair, athletics and other types of construction come from auxiliary funding and not from state-appropriated money.

The chancellor explained that the university can't move funds from one area to another to cover disallowed expenses. Peacock said, "While it might seem logical to stop some construction and use those funds to fill open faculty lines, the state does not allow us that flexibility."

Peacock also explained the university will continue to closely monitor their resources. The chancellor said, "The situation we are facing is unprecedented in recent times, so we will be extremely cautious and conservative in regard to any spending on campus."