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MEMORANDUM

To: UNCP Faculty and Staff

From: R. Neil Hawk *RNH*

Date: March 29, 2010

Subject: UNCP 2011 Budget Reduction Plan

The Chancellor and his executive staff want to thank everyone that participated in the planning for our 2011 fiscal year 5% budget reduction. While we remain cautiously optimistic about the State's financial picture for 2011, we do realize that some reduction in the continuing state appropriation is likely. As previously stated, we fully support President Bowles' effort to hold the System's 2011 budget reduction to 2%.

We have submitted our plan to General Administration and are waiting on feedback at this time. Our plan is attached for your review or may also be found on the UNCP webpage under the heading of "Budget."

In addition to our reduction plan we want you to know that suggestions and comments we received that are applicable to how we should manage our budget reductions were all reviewed. While we don't feel that specific responses are appropriate, we do want to provide some general comments.

At the beginning of the Academic Year, the Provost appointed an Ad Hoc Task Force and charged it with a comprehensive review of the organizational structure of the Academic Affairs Division and to make recommendations that would improve institutional effectiveness and efficiency. At this time the Task Force recommendations continue to be evaluated. However, there were some recommendations that are incorporated into the approved budget reduction plan. It is anticipated that implementation strategies will be developed in the near future to address other recommendations in the committee's final report.

International programs, including study abroad, the CCIEE 1+2+1 program, our English Language Institute, Global Leadership Initiative, and related activities of the IP office catalyzes global knowledge and skills and are of vital importance to our student's educational experience; they provide valuable opportunities for self-knowledge and to better understand others; it positions students as global citizens; and it provides students with the knowledge base and cultural understanding that they need in order to succeed in the 21st century economy. We open doors for independent spirits, critical thinkers, and global citizens. The attendance of international students on the UNCP campus has a significant financial impact on our tuition and fee receipts, auxiliary enterprise revenue, and impacts the local economy.

All University departments are expected to review and revise spending as necessary. With regard to faculty teaching load, department chairpersons, in consultation with their academic dean, are expected to uphold the University's current policies regarding faculty teaching loads.

Travel has been curtailed considerably. During the past two academic years, the institution has limited travel to those individuals who are presenting scholarship or research, required to participate in professional development for licensure or credentialing, accreditation, or for the recruitment of students and/or faculty. Major restrictions have been placed on international travel.

The number of grants and contracts submitted for external funding has increased considerably. The University is aggressively seeking alternative revenue streams to fund services, research, engagement, and outreach programs. Likewise, University Advancement continues to look at more cost efficient ways to raise money. The general lack of unrestricted funding does not allow for more than what is currently being used to sustain alumni association activities.

The University is currently considering a policy which would limit the use of University-provided cellular phones.

Most of the technology in the classrooms and labs already go into an energy-saver mode when not in use for a period of time. This mode extends to include workstations, monitors, and printers. It does not offer 100% savings, but it does make a big difference. Because security updates need to be run daily on our networked machines, DoIT must identify times when the machines are not in use and will interfere the least with network performance.

Currently, security updates run in most labs (24 hour lab being the exception) between 3:00 and 4:00 am. DoIT is in the process of researching technologies that would allow the computers to be shut down at the end of every day and then “woken up” in the middle of the night to have security updates run. Until the technology has been obtained, tested, and UNCP deployed, computers must stay on in order to run updates and keep our network integrity intact. Labs and classroom machines run software called DeepFreeze in order to keep the computer operating system and applications in a consistent state. DeepFreeze disables itself before running updates, saves the updates, and then it re-enables itself to a “frozen” state. Should technologies not be used to turn off and turn on machines, then individuals would need to be responsible. There are numerous labs and classrooms on campus, and determining when and who would be responsible for turning on and off all the technologies in those rooms would be a challenge that would necessitate a consistent schedule and complete cooperation from all campus departments.

The University will continue to exercise caution in filling vacant positions and/or establishing new ones. The University and Academic Affairs have personnel policies, which pertain to search protocol, search committee composition, and the review of candidates and credentials. All academic affairs searches are approved by the hiring official, Dean, Provost and Vice Chancellor for Academic Affairs, and the Chancellor.

The University has reviewed, and will continue to review, possible changes to our standard work week. You can appreciate that some administrative divisions are limited in the number of options available to them since they work 12 months and have no summer down time. Furthermore, leadership is most aware that reductions in hours worked equals a cut in pay, and we always regard pay cuts as being the option of last resort. In terms of flex time, the amount of energy saved by closing parts of our campus for half days would be negligible. However, it’s fair to say that the possibility of four day class schedules will be viewed with an open mind. We will also continue looking and consolidating building use during the summer.

University business practices are constantly being reviewed as part of General Administration efforts to improve effectiveness and efficiencies (UNCFIT). Likewise, federal and other State agencies apply pressures to save money, improve business practices, and be prudent financial managers. For example, we do more just in time buying rather than maintaining inventories of office supplies, paper, and other such items thus reducing inventory cost, giving customers more variety from which to chose, and still providing good customer service. We have negotiated new contracts with Federal Express to lower shipping

cost for faculty, staff, and students. Our goal is to reduce mailing cost by educating departments to utilize USPS permits for bulk mailings rather than first class when applicable, to reduce printing cost by implementing a print management program for labs and offices, and to outsource printing jobs when our print shop can't provide the service or it can be done less expensively by outside vendors. Business Services is reviewing travel management issues including use of the P-Card as means of paying travel expenses. Publications are being reviewed with a goal to make more of them available on-line.

Lastly, changes have been implemented by facilities operations to positively impact sustainability, reduce operational costs, and improve effectiveness and efficiency. A few examples of such changes are one stop recycling started last year, food services took trays out of the cafeteria to reduce water consumption and food waste, water consumption as well as kilowatts used are down even through student enrollment is up, grounds costs have been reduce by not over seeding this winter and we will be planting less color this spring. We have changed our grounds and housekeeping shops to go green. All cleaning products we use are now environmentally sound and many are organic. Likewise grounds staff uses non-toxic weed control and organic fertilizers only when necessary. More drought tolerant annual plant species, native plants, and succulents are being used in our landscaping. All watering of plants and grounds comes from campus wells. We are replacing less facilities operations equipment, some vacant positions within operations have been eliminated and/or the cost transferred to non-state dollars, and we did eliminate two positions in our facilities planning department. However, we have not stopped looking for more ways to reduce cost or improve efficiency. We are pursuing a process called Performance Contracting whereby we select facilities with high energy costs and replace existing equipment with more energy efficient equipment to assist with energy reduction. The costs of the equipment replacement and upgrades are paid through the energy savings that are guaranteed by the performance contractor. We will be soliciting everyone's help with reducing energy consumption including asking anyone with personal heaters or other energy consuming devices to take them home. There are also a number of items that we have reviewed and due to the analysis, we have deferred implementation.

Hopefully, these comments have shed some light on budget reduction choices that have been implemented or might be implemented in the near future. The planning behind the choices and planning was done by every Division, individually and collectively. Everyone has spent

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numerous hours reviewing ways to make divisions and the University more effective and efficient. How can we do more with less is ingrained in our daily thinking.

We appreciate the good comments and suggestions that we received from faculty and staff throughout this budget planning process. I'm sure we all can agree on one thing; we hope that 2010-11 fiscal year reductions is less than 5% not more. And, we hope that FY 2011 is the last year for budget reductions for years to come.