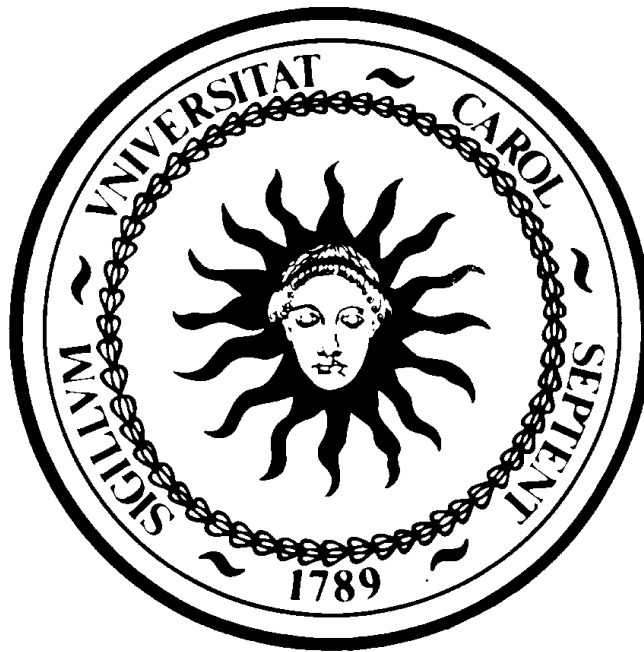


2004-05 Budget Reductions Report



**The University of North Carolina
Board of Governors**

October 8, 2004

APPENDIX A

2004-05 UNC Management Flexibility Reserve Budget Reductions Report

The University of North Carolina's 2004-05 Budget, as approved by the General Assembly, included a mandatory Management Flexibility Reserve reduction of \$23,396,864. Section 9.1 of House Bill 1414 requires the Board of Governors to make a summary report to the Office of State Budget and Management and the Fiscal Research Division by December 31, 2004, on all the reductions made to reach the targeted amounts.

House Bill 1414, Section 9.1, UNC Flexibility Guidelines:

"The Chancellor of each constituent institution shall report to the Board of Governors of The University of North Carolina on the management flexibility adjustments made to the General Fund budget codes in order to meet the reserve amounts for that institution. The President of The University of North Carolina shall report to the Board of Governors of The University of North Carolina on the reductions made to the General Fund budget codes controlled by the Board in order to meet the reduction reserve amounts for those entities. The Board of Governors shall make a summary report to the Office of State Budget and Management and the Fiscal Research Division by December 31, 2004, on all reductions made by these entities and constituent institutions in order to reduce the budgets by the targeted amounts."

University-wide Summary

The Chancellors in the University are deeply appreciative that the General Assembly provided the management flexibility that enabled them and other campus-level managers to make the final decisions as to where budget reductions would be applied. For the 16 campuses, the assigned reduction was 1.47 percent; for the North Carolina School of Science and Mathematics, the Area Health Education Centers, and UNC General Administration, the reduction was .85 percent. The reduction excluded University School Programs administratively housed within General Administration.

The reduction percentage in 2004-05 was lower than the flexibility reductions in 2002-03 (2.88%) and 2003-04 (3%). The successive years of permanent reductions, however, have made it increasingly difficult for campuses to absorb these reductions in ways that do not harm the overall student experience. Since fiscal year 2001-02, UNC institutions have endured permanent budget reductions of approximately \$170 million, and have been under mandatory budget reversions in three of those years that amounted to almost \$250 million in operating funds and an additional \$54 million in repair and renovations funds. The opportunities foregone during this period of time are enormous, and will impact the experience of UNC students, faculty and staff for many years to come.

Due to these successive rounds of budget reductions and reversions, most campuses were unable to avoid impacting instructional areas. Of the total \$23.4 million UNC Management Flexibility Reserve:

- 33.7 percent was extracted from personnel budgets (salaries and benefits), requiring the elimination of 86 positions;
- 26.1 percent came from budgets for current services (e.g. travel, phone services, postage, utilities, printing, repair and maintenance, and data processing);
- 19.3 percent came from supplies and materials budgets (e.g. housekeeping supplies, educational supplies, repair supplies, motor vehicle supplies, and office supplies);
- 10.8 percent came from capital outlay budgets (e.g. office equipment, educational equipment, and motor vehicles);
- 5.5 percent came from budgets for fixed charges (e.g. property and equipment rentals, insurance, and maintenance contracts); and
- 4.8 percent came from other budget line items (e.g. library books, student temporary wages, and other contractual services).

These reductions have impacted all programs, disciplines, activities, and campuses. Of the 86 positions eliminated, 65 were in instructional areas—including 56 faculty positions—and will directly affect students in UNC classrooms.

Continued cuts to departments and divisions that provide crucial support and services have had a detrimental impact on basic campus operations and the quality of the student experience as budgets for facilities, finance and regulatory compliance, information technology, student services, and libraries have been reduced. Since fiscal year 2002-03, the teaching capacity of campuses has been reduced by 343 faculty positions. This has occurred during a time of historic enrollment growth, when UNC institutions have grown by 13,300 students, or a campus approaching the size of Appalachian State University. The loss of core teaching faculty during a time of surging enrollments affects students directly, reducing the number and types of courses offered, increasing student to faculty ratios, and decreasing the time any single faculty member has available to teach, advise, and mentor students. The courses will increasingly be taught by more adjunct and part-time (non tenure-track) instructors.

Losses of SPA and EPA non-teaching positions are equally detrimental to campus operations. In 2004-05, reductions required the elimination of an additional 30 positions that provide enrollment management, advising, orientation, housekeeping, security, information

technology, buildings and grounds maintenance, financial aid, and library services. The loss of these positions lessens each campus's ability to carry out its academic, research, and public service mission.

The direct impact of fiscal year 2004-05 reductions on instructional budgets is \$12.3 million. This will affect students in years to come, as fewer course sections are offered, and campuses are forced to hire more part-time and adjunct faculty to teach the sections that remain. Students will find it increasingly difficult to find courses that they need to graduate and to fit all required courses into their schedules. Ironically, unavoidable reductions in advising and faculty contact hours means that many students will have less assistance in monitoring their degree progress at a time when it becomes much more difficult and critical to do so.

Most UNC campuses indicate that repeated budget reductions continue to adversely impact library operations, as evidenced by reduced service hours, decreased availability of materials, and more outdated books and journals. This affects both students and faculty as they work to prepare for the workforce and complete research. Given the long-term effects of previous rounds of reductions and reversions, six campuses chose to exempt their libraries from this round of budget reductions.

Most Chancellors have expressed growing concerns about their diminishing ability to adequately maintain and repair equipment, buildings and grounds. This especially impacts the focused-growth campuses, which have worked deliberately to improve the physical appearance of facilities and grounds. While deeply appreciative of the funding for new buildings and renovations made possible by the November 2000 bond referendum, Chancellors are concerned about operating with fewer dollars as they attempt to maintain and equip expanding facilities. As a direct result of these reductions, UNC campuses will have shrinking budgets for equipment, supplies, and materials. Consequently, students will not have access to the most advanced equipment, because the campuses will not be able to purchase the latest technological equipment in the various disciplines. Computer replacements on the campuses will be deferred, so students will not be training on the most advanced systems.

In general, the Chancellors have expressed apprehension that they have now pushed the limits of efficiencies that can be accomplished without compromising quality. Those savings have been achieved, and further reductions severely impact the type of experience they are able to offer students. Many of the current reductions, the Chancellors have noted, are short-term in

nature but have long-term consequences, as is the case with reductions to budgets for building repair and maintenance. Maintaining the level of quality that students deserve with diminishing resources is an ongoing struggle.

In summary, the impact of budget reductions is cumulative and long-term. Students continue to express the sentiment that they are being asked to pay more at a time when they feel they are receiving fewer and lower quality services. Likewise, faculty and staff express frustration that they are being required to take on the responsibilities of positions that have been eliminated. Comments and impact statements from each institution are included in the following pages. Attachment A provides a summary, by campus, of the reductions implemented to reach the targeted amounts.

Appalachian State University

- ASU's library operating budget was reduced by \$450,000, which will curtail the ability of the Library to provide services, books, and journals to students and faculty.
- The operating budget for distance education services, equipment and educational materials was reduced by \$250,000.
- Appalachian lost three SPA positions, which will force other employees to assume additional tasks, adversely affect morale, and diminish the quality of services provided to the University community.

East Carolina University, Academic Affairs

- Due to successive years of budget reductions, ECU has passed the point at which the classroom could be protected without impacting the primary academic mission of the university. The cumulative effect of budget reductions previously taken from ECU's academic and administrative support infrastructure has seriously affected ECU's ability to serve students and faculty. Further cuts in areas such as academic equipment, facilities maintenance, Information Technology, and library acquisitions were not possible. Continued reductions in these areas have already had a detrimental impact on basic campus operations and the quality of the overall student experience. As a result, 99% of ECU's 2004-05 management flexibility reduction was from vacant positions.
- ECU struggled with the decision to eliminate 15 faculty positions, which will certainly impact students through the size of classes, the number of advisors, and the number of semesters necessary for degree completion. However, the history of reductions in other areas prevented ECU from obtaining more than 40% of the reduction from non-academic areas.

East Carolina University, Health Affairs

- In addition to the reduction in state appropriations, ECU's Health Affairs budget is coping with the increasing cost of malpractice insurance (approaching 100% over the last 6 years), decreasing reimbursement rates paid by insurance companies, and unprecedented numbers of indigent patients. Dealing with reductions of this magnitude is impacting students and patients.

Elizabeth City State University

- Each instructional unit at ECSU will be required to reduce expenses for supplies, postage, long distance, communications, travel, and equipment. After having absorbed the 3.77% reduction last fiscal year, the additional reduction this year creates particular hardships as the school seeks accreditation for its business and social work programs.
- The reductions will cause a delay in the planned implementation of a comprehensive student leadership development program and will also increase the backlog of routine repair and maintenance throughout the campus.
- Absorption of this additional budget reduction will affect ECSU's recruitment efforts as the institution aims to reach the target of 3,000 headcount students by the fall of 2008. Activities such as alumni and student receptions, recruitment fairs, high school visits, mailings, and hiring of student telemarketers will be limited.

Fayetteville State University

- The reduction of three FSU positions previously located at Fort Bragg will hamper the institution's ability to deliver as many academic courses and services to the Fort Bragg-Pope Air Force Base Education Center as in the past.

North Carolina Agricultural and Technical State University

- In NCA&TSU's academic instructional areas, budgets have been reduced for supplies and materials. As this trend continues, the lack of basic supplies and materials will impact instructional delivery in classrooms. Reductions to supplies as well as to fixed charges are of great concern in maintaining critical subscriptions and memberships that are necessary to maintain various accreditations.
- North Carolina A&T's library has been reduced by \$350,000, which will negatively impact the institution's ability to renew and upgrade its periodical collection as well as the ability to subscribe to online services which are becoming a critical library component in the delivery of information.
- The current round of reductions has also forced NCA&TSU to reduce student support services by \$150,000. This creates increased difficulties in providing quality services as enrollments continue to grow.

North Carolina Central University

- NCCU complied with the requirement by making reductions of \$237,864 in supplies, materials, and current services budgets and \$447,151 in capital outlay/equipment.
- The reduction in capital outlay will postpone the purchase of scientific and modern educational equipment including state-of-the-art equipment necessary for effective learning. This reduction will affect NCCU's ability to develop, maintain, and deliver distance education courses for traditional and non-traditional students.

North Carolina School of the Arts

- The cumulative effects of successive rounds of budget reductions have prevented NCSA from protecting the classroom in the latest budget reduction. The 2004-05 reductions will directly impact the classroom as well as impact the scale and character of performances produced, and ultimately reducing the quality of student life.
- The Schools of Dance, Drama, Music, Design and Production, and Filmmaking and the Division of General Studies have responded to this reduction with various strategies. Some schools have filled positions with part time faculty without benefits rather than full time professors. The Schools of Dance and Music have eliminated elective courses, the School of Filmmaking has reduced its student film production budget by 20%, the School of Design and Production will limit use of its premier sound and lighting laboratory spaces and cut back on set building budgets.

North Carolina State University, Academic Affairs

- At NCSU, critical support for tutorial services in several colleges has been curtailed. Additionally, access to and support for scientific and computer labs across campus continues to diminish at a time when all colleges are challenged to replace, upgrade, and repair older equipment to keep labs current and operational.
- Faculty at NC State continue to be limited in the use of classroom supplies such as the development of web materials, photocopying of class syllabi, and basic course materials.
- The 2004-05 reductions to distance education programs at NCSU will negatively impact the institution's ability to produce new distance education courses and programs to meet statewide student demand. Reductions will also slow the ability to handle student registrations in a timely manner.
- Reductions at NC State are negatively impacting faculty recruitment and retention, faculty start-up support, academic program development, professional development and diversity initiatives.
- The reduction of \$265,380 in the library budget will decrease the number of books available to faculty and students for instruction and research by approximately 3,300 in fiscal year 2004-05.
- Both undergraduate and graduate student service programs at NCSU will experience diminished services. Student services programs cross a wide variety of programs whose services compliment the instructional mission and improve student life. NC State's budget reductions will affect (but will not be limited to) the following programs: African American Affairs, international programs, ROTC, University Scholars, Counseling Center, Women's Center, the First Year College, the Graduate Student Support Program, the Honors Program, and the Center for Student Leadership, Ethics, and Public Service.
- Reductions to staffing and supplies in Housekeeping and Grounds Maintenance will result in minimal levels of office cleaning and the deferred maintenance of campus grounds. Reductions in architectural and engineering staffing will result in an increased number of projects assigned to each project manager and a reduction in the ability to manage projects effectively. Critical master planning and space planning activities will also be limited. Reduction in skilled trades positions and supplies will negatively impact the amount of preventive maintenance performed on campus resulting in an increase in the deferred maintenance backlog that already exceeds \$124 million at NC State.

North Carolina State University, Agricultural Research

- The permanent budget reduction for 2004-05 will result in unfilled research positions in agricultural and resource economics, bioprocessing, structural pest control, and genomics. These positions will remain vacant in order to use the funds to provide adequate operational funds throughout the year.

North Carolina State University, Cooperative Extension Service

- Reductions in the Cooperative Extension Service will include reduced support and loss of positions in programs that involve 4-H and Youth education, agricultural and resource economics, forestry, and family & consumer education. The counties will have fewer field faculty positions and support for those positions in promotion of best management practices in agriculture, in developing sustainable, value-added agricultural enterprises, and in general the enhancement of economic development opportunities statewide.

University of North Carolina at Asheville

- The budget reductions are extremely difficult to manage at UNCA because of record enrollments and the resulting impact of increased service needs of the student population.
- The reduction in equipment funds means that both UNCA and the North Carolina Arboretum will not be able to replace outdated equipment. When facilities management equipment fails, the equipment may have to be taken out of service rather than repaired or replaced.

University of North Carolina at Chapel Hill, Academic Affairs

- Repair and maintenance at UNC-CH, as a result of budget reductions, will continue to be backlogged and reduced. In addition, direct services to student applicants in the admissions process will be reduced. Campus information technology training has also been eliminated.
- The UNC-CH School of Education has managed its share of the reductions by decreasing several outreach programs, including the Mathematics and Science Education Center and its associated Pre-College Program, LEARN NC, and the Research Triangle Schools Partnership Program (RTSP). The reductions will further erode the School's ability to provide service projects and course offerings to the communities of teachers and potential students.
- In the School of Journalism and Mass Communication, the reductions are primarily in non-personnel budgets by slashing funds for basic supply, communication, copying and equipment needs. In addition, the already small budget of the NC Scholastic Media Association was reduced even further. This program is a vital avenue for reaching out to high schools all over the state and for furthering the fundamental freedoms of speech and press in high schools.
- For the third year in a row, the Ackland Art Museum will suspend printing of the schools' brochure that has been used to recruit K-12 school use of the museum as a curriculum resource. Teachers have relied on this brochure, to plan curriculum-structured visits to the museum's exhibitions. Lack of the brochure diminishes the public service.
- Budget reductions will impact the effectiveness of Campus Services at UNC-CH by resulting in increased deferred maintenance and reduced services in the areas of health and safety, mail, UNC One Card, and campus police.

University of North Carolina at Chapel Hill, Health Affairs

- The reduction in funds at the UNC-CH Schools of Medicine and Nursing continue to compromise the ability to maintain the quality, breadth and depth of the educational program and to meet the demand for health care professionals in North Carolina. The impact of this is clear as evidenced by: increased size of quiz sections and less individualized attention, reductions in instructional lab time, and delay in replacement of obsolescent teaching aids.
- In the School of Public Health, a graduate course in Nutrition will not be offered during the spring semester and a web-based Biostatistics course will not be offered in either the fall or spring semesters. This decrease in course offerings directly impacts students who may be unable to adjust to the scheduling issues it creates.

University of North Carolina at Chapel Hill, Area Health Education Centers (AHEC)

(Note: AHEC was reduced by .85%)

- The 2004-05 budget reductions will impact the AHEC program in the following ways:
 - Reduced grants to schools of nursing and to nursing programs in community colleges to develop new clinical training sites;
 - Reduced support at UNC and other academic medical centers, resulting in fewer hours of training by academic faculty in the AHECs;
 - Postponement of planned computer and IT equipment purchases throughout the AHEC system;
 - Reduced support for residency training in the AHECs, in primary care and psychiatry; and
 - Decreased teaching and supervision of residents in community settings.

University of North Carolina at Charlotte

- UNCC no longer absorbs budget reductions without significant impact to the quality of instruction, as well as to academic and administrative support services. The campus has not been able to progress as quickly as desired in reducing class sizes and it has been extremely difficult to provide students with necessary flexibility in scheduling classes.
- New UNCC faculty have not been supported with appropriate start-up funds or necessary operating funds. There are simply not adequate funding provided for academic departments nor are there permanent operating funds for new student support service units such as the Office of Student Success and Retention, Freshman Learning Communities and Honors College. Likewise, there are not adequate operating budgets or staffing levels for existing student services such as the Center for Academic Excellence, Disability Services, the Writing Resource Center and Career Services to meet the needs of a rapidly growing student population.
- The reductions have significantly impacted UNCC's ability to meet the dramatically increasing need for technical staff and operating budgets in the sciences, engineering, and information technology disciplines, but also for many programs that have been developing in the Humanities and Social Sciences. This problem will become more acute as new state-of-the-art buildings are opened without the necessary staff and equipment to take full advantage of all of the functions for which they were designed.

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- The budget cuts have prevented UNCC from adding two new positions to respond to students and families as a result of an increase in aid applicants over the past three years which exceeds the rate of enrollment.
- Maintenance in laboratories, classrooms, learning centers and support spaces continues to be deferred under the continuation of budget reductions. Major projects are delayed; only the most urgent repairs to mitigate greater long-term damage to facilities can be completed.

University of North Carolina at Greensboro

- The 1.47% budget reduction was spread throughout the campus at UNCG. The Division of Academic Affairs lost almost 10 teaching positions, a support position and operating funds. Other divisions also lost several support positions and operating funds.
- The reduction in teaching positions means that UNCG is forced to continue to rely upon more part-time instructors (rather than tenured or tenure-track faculty) to deliver lower-level and service courses.
- More than \$400,000 was reduced from operating budgets in the instructional and service units, including the loss of a position in the library and reductions to operating budgets in enrollment services, distance education, international programs and the teaching and learning center.
- The budget reductions force UNCG to address a growing student body with less staff, less operating budgets to supply materials, and less purchasing power for library books, materials and data bases.

University of North Carolina at Pembroke

- The 2004-05 budget reductions at UNCP are not only harming the efficiency and effectiveness of current year operations but will be felt even more severely in future years. As enrollments continue to increase, there is a corresponding growth in the demand for a quality education but also for the expansion of services. It is these student services and academic support areas that are suffering the most from past and current budget reductions.
- UNCP's 2004-05 budget reductions resulted in the elimination of three faculty positions. The university will have fewer faculty than needed and the existing faculty will be serving even more students. Likewise, the Student Affairs, Enrollment Management, Business Affairs, Controller's, Public Safety, and Human Resources Offices will not be able to increase staff and services to sufficiently meet the needs of a growing campus community.

University of North Carolina at Wilmington

- Budget reductions at UNCW have impacted academic operating budgets in the following ways: Computer hardware and software needs for classroom teaching will not be met; office equipment and furniture will not be replenished; faculty professional development, required to attend conferences and present research materials for accreditation, will be reduced; and partnership teaching initiatives, associated with the Watson School of Education Professional Development System will be reduced.
- UNC Wilmington's student support areas will be impacted by losses of tutors in the Math Lab, and the loss of computer science technical assistants who provide assistance in scientific labs, student computer labs and offices.

- Possibly one of the hardest hit areas at UNCW is the administrative support budget. Reduced funding levels in this area will result in continued inadequate levels of support for housekeeping, grounds and landscaping operations, student support and financial aid. Once again, a preventative maintenance program will not be funded, thereby exacerbating an already growing level of maintenance backlogs.

Western Carolina University

- The ongoing series of budget cuts Western has experienced over the last several years has had an increasingly detrimental impact on virtually every department and division of the university. Western has experienced a welcome surge in enrollment over the last two years with a 7.51% increase in headcount students in Fall 2003 and an additional 11% increase in Fall 2004. Continuing budget reductions present WCU with the challenge to serve increasing numbers of students without a sufficient increase in resources. The ability of the campus to fulfill commitments to excellence in teaching, quality service to each student, and engagement with the region is thereby placed in serious jeopardy.
- WCU reduced services across the university by \$520,120. Nearly \$200,000 of these reductions was in the current services budgets of academic departments. These reductions will affect the support of faculty members in pursuit of their scholarly work. Reductions in current services also diminish funds available in departments for expenses such as postage, telephone, printing and repair and maintenance. Significant increases in enrollment have resulted in corresponding increases in these types of necessary expenses. WCU's efforts to both recruit and retain larger numbers of students are seriously hampered by continued reductions in operating budgets.
- The reductions at Western have also caused decreases in capital outlay budgets (\$175,000). As a result of multiple years of budget cuts, WCU now has 2033 desktop computers that are so old that they are incapable of running vendor-supported operating systems. These computers represent both as security threat and a source of inefficiency, as well as direct costs to support the machines. Although replacing faculty and student-use computers has been a priority, large numbers of computers are significantly below the level needed to run software that is the standard for the academic areas. Bringing all desktops up to current standards would require \$2,835,200, a total that increases with each additional year of budget reductions. As a result, students are not learning current systems in some areas or are having to "make do" with static demonstrations instead of hands-on experiences. Continued erosion in these areas could threaten program accreditation and impact the readiness of graduates to meet employers' needs in North Carolina.

Winston-Salem State University

- The 1.47% reduction in state appropriations for fiscal year 2005 may seem minimal; its aggregate impact must be viewed in the fuller context of total reductions experienced over the last three years at WSSU. The previous years of reductions removed the available options for optimally managing the reductions and reducing their impact at a time when the university continues to experience strong enrollment growth.
- The reduction in 2004-05 will affect WSSU's Academic Affairs Division by causing additional delays or revisions to initiatives for new and enhanced academic programs. Additionally, programs must manage with less funding for supplies and equipment despite growth in demand for most of them. Technology and equipment initiatives must also be revisited for possible revision, delay or cancellation. Furthermore, some planned equipment purchases to enhance accreditation readiness may be delayed once again in several academic programs.

North Carolina School of Science and Mathematics

(Note: NCSSM was reduced by .85%)

- The budget reductions at NCSSM will have a significant impact on the classroom and the library services for NCSSM students. The reduction in Academic Programs will delay purchasing computer equipment that is used in the delivery of instruction through technology to students. The science lab will not have eight computers needed to make it a working lab for students. Faculty will be limited in the amount of printing and copying of instructional materials that they provide to students. The library will have to restrict the use of educational supplies provided to students.

University of North Carolina –General Administration

(Note: UNC-GA was reduced by .85%)

- UNC-General Administration encompasses not only the UNC Office of the President, but also the affiliates and organizations that reside under the UNC umbrella, including UNC-TV, the State Education Assistance Authority, the NC Center for School Leadership Development and its various components, NC Education Pathways, the NC Center for Nursing, and the NC Progress Board, amount others. The Office of the President accounts for roughly 23% of General Administration's base budget; while UNC Center for Public Television, UNC Network Services, UNC Supercomputing and NCREN, NC Center for School Leadership Development and other affiliated program sand pass-through appropriations for statewide networking and supercomputing services account for the remaining 77%.
- The reductions to the UNC Center for Public Television have a widespread impact. The viewing public will likely see more repeat programming, less coverage of statewide events (e.g. NC Now), and fewer hours of original programming. Although the 2000 Higher Education Bonds provided the equipment funds for the digital television (DTV) initiative, budget reductions have affected the operating funds such that this initiative may be delayed. The collaborative efforts between UNC TV and the NC Community College System for developing DTV educational initiatives will be delayed or cut altogether. Furthermore, the number of operating hours of DTV will be decreased.
- The reductions to the UNC Network Services resulted in reduced EDP network equipment replacement and communications budgets required to support the UNC Library Networks Services. Deferred equipment replacement will result in network outages and periodic loss of critical library resources to UNC students and other education institutions for the state.
- The reductions to the UNC Office of the President impact all divisions through reductions in current services (phone, postage, travel, printing, repair and maintenance, data processing services). In addition, budgeted salary and benefits for critical vacant positions were reduced, thereby jeopardizing the ability to attract the critical skill sets necessary to oversee, manage, and direct the UNC Human Resources and Program Assessment and Public Service roles for the University. Such skill sets are required to fulfill the increasing regulatory, State and Federal compliance, and management oversight responsibilities for the University's academic, research and public service mission. These reductions will have a far-reaching impact by limiting UNC-OP's ability to communicate with the constituent campuses, legislature, media, and other interested parties on operational policy, governance, coordinated services and reporting. The organization will also be forced to delay required replacement of information technology and various mechanical systems, which will result in loss of productivity, system outages, and increased maintenance costs.

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- All affiliated programs of UNC General Administration are in the process of scaling back services to their constituents in order to meet the mandated budget reduction. The North Carolina Center for International Understanding will reduce services to exchange participants while the North Carolina Center for Nursing will reduce grants designed to recruit and retain nurses. NC Education Pathways has reduced training opportunities used to educate counselors and media specialists about the CFNC website. The State Education Assistance Authority has reduced contracted defaulted loan services and financial aid publication costs. The UNC Shared Services Alliance reductions will delay full implementation of the UNC Banner Finance and Human Resource systems rollout. The UNC Teaching and Learning with Technology collaborative will have reduced funding to expand distance education technologies for UNC faculty.

University of North Carolina –General Administration, Institutional Programs

(Note: UNC-GA, Inst. Programs was reduced by \$70,101)

- This operating budget code provides for the identification of specific program reserves that are subsequently allocated to the constituent institutions. Financial aid reserves were excluded from the reductions.
- Reductions to the Focused Growth New Program Development budget will reduce the funds available to the seven focused growth campuses that are used to establish and develop new academic programs to attract target enrollment populations.
- Reductions to the Teacher Preparation Distance Education program budget will reduce the amount of funds available to the University to make teacher education 2+2 credential programs easily accessible statewide through distance education.

**THE UNIVERSITY OF NORTH CAROLINA
BUDGET REDUCTIONS SUMMARY**

	Personnel	Supplies & Materials	Current Services	Fixed Charges	Capital Outlay	Other*	Total Reductions
ASU	(86,195)	(954,033)	(39,526)	0	(14,898)	(133,726)	(1,228,378)
ECU, AA	(1,816,675)	0	(25,858)	0	0	0	(1,842,533)
ECU, HA	(642,057)	0	(3,000)	0	0	0	(645,057)
ECSU	0	(45,948)	(130,588)	(118,528)	(44,136)	0	(339,200)
FSU	(163,158)	0	(324,676)	0	0	0	(487,834)
NCA&T	0	(115,473)	(75,000)	(420,000)	(305,000)	0	(915,473)
NCCU	0	(77,500)	(160,364)	0	(447,151)	0	(685,015)
NCSA	(280,042)	(4,639)	0	0	0	0	(284,681)
NCSU	(3,084,588)	(173,309)	(173,311)	(173,308)	(173,309)	(232,770)	(4,010,595)
NCSU. Ag Research	(236,327)	(105,651)	(105,651)	(105,651)	(105,651)	0	(658,931)
NCSU, Coop. Extension	0	(128,916)	(128,915)	(128,916)	(128,916)	0	(515,663)
UNCA	0	(100,000)	(100,000)	0	(158,467)	0	(358,467)
UNC-CH, AA	(18,337)	(12,231)	(2,373,969)	(90,313)	(91,958)	(270,926)	(2,857,734)
UNC-CH, HA	(144,047)	(2,126,421)	(24,776)	0	0	0	(2,295,244)
UNC-CH, AHEC	(30,028)	(6,637)	(9,284)	0	(17,048)	(313,622)	(376,619)
UNCC	0	(240,000)	(724,045)	(225,000)	(325,000)	0	(1,514,045)
UNCG	(1,062,120)	(10,432)	(113,173)	(17,216)	(184,769)	0	(1,387,710)
UNCP	(240,000)	0	(237,927)	0	0	0	(477,927)
UNCW	(75,000)	(275,000)	(458,190)	0	(50,000)	0	(858,190)
WCU	0	0	(510,120)	0	(175,000)	(80,947)	(766,067)
WSSU	0	(108,737)	(40,000)	0	(295,108)	0	(443,845)
UNC-GA, Operating	0	0	(272,909)	(1,970)	0	0	(274,879)
UNC-GA, Inst. Programs	0	0	0	0	0	(70,101)	(70,101)
NCSSM	0	(18,293)	(70,945)	0	0	(13,438)	(102,676)
Total	(7,878,574)	(4,503,220)	(6,102,227)	(1,280,902)	(2,516,411)	(1,115,530)	(23,396,864)

* This column includes library books, student temporary wages, and contractual services.