

## **UNCG's Budget Principles**

**Revised May 5, 2009**

- The academic core will be protected to the maximum extent possible with consideration given to the relation of academic programs to the distinctiveness and mission of UNCG and demand for programs in the community, region or State as a whole.
- Budget decisions must be made keeping in mind the initiatives articulated in the UNCG Plan 2009-14. These decisions must also consider the institution's commitment to meet academic and infrastructure needs for the upcoming five-year period in response to significant enrollment growth.
- State Budgeted Financial Aid awards will not be reduced unless mandated by the state.
- Fiscal policies and procedures will be reviewed to reassess the balance between efficiency and effective controls which lead to financial accountability and integrity.
- Departments must be permitted the flexibility to manage budget reductions. However, leadership must view all resources as University resources and, therefore, reallocation of budgets may be necessary to maximize effectiveness.
- Lapsed SPA salaries and benefits will continue to revert to the institution and will be used to fund strategic priorities or address non-continuing budget cuts.
- Departments are strongly encouraged to reduce university costs that are paid from central budgets such as utilities, IT licenses and maintenance, building space allocations, and overtime. Those who spend these funds or occupy University space must manage and scrutinize these resources as if they were a departmental resource for which periodic charges were allocated and assessed.
- Departments should closely examine all practices, (e.g. purchasing software), that may impose costs on other University departments (e.g. ITS) or lead to long-term maintenance obligations.
- Departments and divisions that provide central services to the University funded from the state budget will communicate the services provided and associated costs. Where it is available, data will be reviewed to determine if services provided are more extensive and/or expensive than those offered by campuses deemed comparable or aspirational (as determined by the Chancellor). Decisions will be made to evaluate the level of service

provided.

- Departments that provide their own services should consider whether these services can be provided more cost effectively either at the central level or by outsourcing over the long term.
- Departments and budgets supported by non-state sources should undergo the same scrutiny and expectations of service level and cost review. Reallocations may be necessary to support new strategic initiatives or help defray students' costs of attendance.
- Because of the April 2009 State budget freeze, some essential purchases and payments cannot be made in 2008-09. Making these purchases and payments will have a high priority for 2009-10.