



THE UNIVERSITY of NORTH CAROLINA
GREENSBORO


Chancellor's Office

303 Mossman Building
PO Box 26170, Greensboro, NC 27402-6170
336.334.5266 Phone 336.256.0408 Fax

August 25, 2009

MEMORANDUM

To: The UNCG Community

From: Linda P. Brady 
Chancellor

Subject: Budget Guidelines for 2009-2010

As I indicated in my State of the Campus Address, we are living in extraordinary economic times which require the university to ensure continued prudent and thoughtful use of our resources. In spite of record enrollments, from a fiscal standpoint, it has not been business as usual for more than a year and the outlook for the current fiscal year indicates we will continue to be in a challenging economic situation.

After action of the General Assembly, the Board of Governors approved an appropriations budget cut for UNCG of 3.4%. In addition, reductions in the cash the state is prepared to provide to UNCG for our operations and mandated budget reallocations bring the combination of cuts, cash reductions, and budget reallocations to 10% for 2009-10. Based on UNCG's Budget Principles and the Board of Governors' Values Statement, my internal cut allocations will be made in the upcoming days to meet the mandates of the General Assembly, the Board of Governors, and the President. UNCG and other UNC schools are required to submit a budget reduction plan to President Bowles before any cuts can be executed and therefore even today, our 2009-10 budget is not yet finalized.

It is important to continue to be very prudent in making purchases. Budget cuts have not yet been reflected in departmental state operating budgets. Accordingly, caution should be exercised in the use of your real available funds for the year. Carefully assess each purchase decision to ask if it is absolutely necessary and if it is the best use of your limited resources. UNCG's guidelines in response to Office of State Budget and Management guidelines for the expenditure of travel funds and salary adjustments are discussed below.

Travel, and Compensation Guidelines for FY 2009-10

Recent communications from the Office of State Budget Management and wording from the approved state budget for 2009-10 provide general guidance regarding a number of budget related issues including travel and compensation adjustments for state employees. All state agencies and universities have been encouraged to review the filling of vacant positions before making the decision to recruit and to minimize such actions as compensation adjustments and travel to the maximum extent possible. Agency heads have been tasked with the responsibility to pre-approve all travel requests and compensation adjustments for state employees. In keeping with that directive, following are the approved guidelines for all university administrators to use when reviewing requests for travel or increased compensation for university employees including new hires:

Travel Guidelines:

Travel is to be restricted and requires prior approval in accordance with the following guidelines:

- These guidelines apply to all fund sources, except for externally funded Contracts & Grants and for athletic team travel.
- All out-of-state travel with a total cost in excess of \$1,000 requires prior approval of the Dean, Associate Provost, Associate Vice Chancellor or their equivalents.
- All travel in excess of \$2,000 requires prior approval at the Provost / Vice Chancellor level.
- Any travel in excess of \$4,000 requires prior approval of the Chancellor.

Compensation Adjustment Guidelines:

The following guidelines include EPA Faculty and non-faculty positions and SPA positions regardless of the funding source:

Compensation Action Requested:	Chancellor Guidelines:
New Hire – non state employee	Salary offer may not exceed market rate or current budget for the position, whichever is less.
Promotion – current state employee	Salary offer may not exceed current salary by more than 5%. For SPA Career Banded Positions, salary offer may not exceed market rate by more than 10% or exceed a total of 5% above current salary whichever is less.
Reclassification of an SPA position	When a position is reclassified due to increased competencies or additional higher level job duties as approved by HRS, a salary increase of no more than 5% (not to exceed a total of 10% above the market rate of the position) whichever is less, may be given. A position may not be reclassified more than one time in a fiscal year.

<p>Career Progression Adjustment (CPA) for an SPA position</p>	<p>A CPA based on demonstrated increased level of competencies and/or demonstrated higher level of job duties, as approved by HRS, not to exceed 5% above the current salary or a total of 10% above the market rate, whichever is less, may be given no more than once in a fiscal year.</p>
<p><u>Request to increase compensation based on:</u> Equity (<i>example: employee is paid less than peers doing the same basic type of work</i>) Market Rate (<i>example: employee is paid below the market rate for the branch, band and level of the position</i>) Retention (<i>example: employee is made a job offer where the salary in the offer exceeds the current salary of the university employee</i>)</p>	<p>Not approved.</p> <p>These types of compensation adjustments are prohibited in the approved state budget for 2009-10.</p>
<p>Any exceptions to the above compensation guidelines</p>	<p>Must be approved with written justification by the Department Head, Dean or Associate Vice Chancellor, and Vice Chancellor and forwarded to the Chancellor for final written approval</p>

Thank you for your continued attention to how we spend the funds entrusted to us and the challenges we face.