



### **Budget and Planning Principles (for cuts in the 2009-11 biennial budget)**

We must plan for the certainty of budget cuts while we still do not know what the exact amount of the budget cuts will be. Given the current economic environment we can expect reductions for the next biennium and should develop at least a two-year reduction plan.

We will not be making across-the-board reductions. While across the board cuts may be viewed as fair they do not reflect a prioritization of our essential programs nor do they help us reach our future goals. In reality, across the board cuts weaken all programs and reduce our ability to provide quality service and deliver a quality education to our students. We will continue to make investments in essential areas which may require larger budget cuts in other areas, but are necessary to respond to current needs. Our efforts should be as much to sustain quality as it is to position UNCW for the future.

We must seek out strategic solutions to the budget reductions by focusing on the university's seven strategic goals. Budget reductions and reallocations must fund strategic priorities and critical operating needs first to accomplish these goals:

- Student Learning
- Superior Faculty and Staff
- Financial Support
- Safe, Attractive Campus
- Regional Engagement
- Commitment to Diversity
- Global Citizenship

We must identify the highest priorities and minimize the budget impact on these priorities. Core to our process should be a priority for protecting the quality of the student academic experience. We must protect our ability to recruit and retain a diverse and qualified faculty, staff, and student body. To retain and graduate the quality of students we serve, we must reconfirm our commitment to academic excellence and support services. This commitment should not be taken to suggest that all academic and support activities and services have the highest priority. We will need to prioritize program importance within each department and determine the most efficient method of delivery. We should look to eliminate duplication of programs and restructure or eliminate inefficient programs.

We must be prepared to reallocate resources within each department to accomplish our goals. Self-supporting operations are not exempt from the budget reduction process. Only in exceptional circumstances should rate increases be approved. Rate reductions may be required that are comparable to the reductions required by state funded operations.

When considering cost reductions we must evaluate the impact of proposed cost reductions on the entire campus. We must protect revenue generation potential, assess the effect on capital or operating expense elsewhere on the campus, and make sure that we are not unknowingly shift the burden to other departments. We must protect areas that can generate revenue such as research, development, and auxiliaries and identify new sources of revenue, including support for new faculty research that increases external funding. Charging user fees rather than using state funds for some activities may be part of the budget reduction and reallocation process as well.

Our faculty and staff remain our most valuable resources. Every effort should be made to use existing vacancies, normal attrition, planned retirements and voluntary reductions before reducing our force. Communication with Human Resources should be established as soon as proposals for reductions are being made.

It is essential that we enhance communication during the budget reduction process. Making every effort to keep all members of the community informed is important. Concise and timely communications about relevant developments and decisions are imperative.

During implementation of these principles, the existing budget reduction task force, with representation from the Faculty Senate, Student Government Association, and Staff Council, will remain involved. In addition, the vice chancellors and chief of staff will develop a process for further review of functions that may involve duplication of effort or inefficiencies and will make recommendations for possible savings in those areas. At the same time, the University Planning Council will continue to develop recommendations for revision of our strategic priorities for the biennium.