June 30, 2010

University Planning Council

Minutes for June 30, 2010

Present: Buffy Bagwell, Jane Fernandes, Courtney Galatioto, Eric Gant, Archer Gravely, Julie Heinitsch, Jim Kuhlman, Amy Lanou, Keya Maitra, Cortland Mercer, Chris Miller, Patrice Mitchell, Kevin Moorhead, Linda Nelms, Dan Pierce, John Pierce, Anne Ponder, Christine Riley

Absent: Vic Foster, Bill Haggard, Ted Miegs, Louise Thompson

Guests: Nancy Yeager

UPC met from 3:00 to 4:30 in Owen Conference Center.

Chancellor Ponder convened a special meeting of old and new UPC members to discuss the NC budget situation. She reported that the 2010-11 budget came in between the Governor’s and House proposal which is a pretty good outcome but it won’t feel like it. This year’s budget will be approximately four percent less than last year’s, and there are a number of unknown variables. She added that almost everyone thinks that 2011-12 will be worse and some, if not all, of our budget choices this year will be permanent. In July we will receive budget instructions from UNC General Administration and we will figure out a strategy. We know the following about the 2010-11 budget:

a. There will be no raises of any type, equity adjustments, or increases for additional responsibilities

b. The legal question of employee furloughs has been resolved and we have authorization to implement furloughs but we do not plan to do so at this point.

c. Distinguished professorships have been funded, and this will provide a small but important lift to academic programs.

d. The Board of Governors proposal for allocating tuition increases prevailed and these funds will remain at the campuses and will not revert to the general fund.

e. The Enrollment Growth budget has been funded and will bring UNC Asheville new resources.

f. Repair and Renovation will be funded, and operating funds for new buildings have been partially funded. Our new Health and Wellness Center will open this year and the Rhoades Hall renovation project may be completed as well.

Chancellor Ponder also reported these unknown factors:

a. The budget included permission for the UNC President to authorize an additional tuition increase of up to $750 for the coming year. This creates a procedural problem as it circumvents the Board of Governors and Boards of Trustees, and a timing problem since we do not have time to consider this option through
our normal campus process. Additional tuition revenue would allow us to accommodate the 4% cut and get a start on next year. Administrative difficulties in re-billing students and recalculating financial aid packages were noted by several UPC members.

b. It is unknown if we will be treated differently by UNC-GA in system-wide budget cuts or suffer the same across-the-board percentage cut for all campuses.

c. Depending on how quickly the economy recovers, we may have a travel and hiring freeze later this year.

d. There have been changes in both our local NC legislative delegation and in General Administration staff, adding additional uncertainty to these turbulent times.

Chancellor Ponder concluded that UNC Asheville is in a better position than most campuses because of our campus communication practices in working through difficulties and our shared knowledge and commitment to the University. Mr. Kuhlman asked about the status of cutting 30 permanent positions announced last Spring. Chancellor Ponder responded that the 30 figure has been reduced to 15 positions that are at risk if some of the unknowns described earlier do not go our way. Dr. Pierce asked about furloughs and Chancellor Ponder made the following points:

a. Furloughs could be ordered by the Legislature or the Board of Governors. She was doubtful that the BOG would mandate that all campuses implement furloughs in the same way.

b. Any furlough would occur when school is not in session.

c. Mr. Pierce reported that for UNC Asheville, a one-day furlough would save $103,000. A five-day furlough would save thirteen of the fifteen positions at risk for that one year.

Dr. Maitra asked if the budget would further impact faculty teaching loads. Dr. Fernandes responded that it already has. Chancellor Ponder stated that we will address reduction in teaching loads and salary increases in the future. Ms. Nelms asked if changing expectations on faculty roles would be addressed by departments or the University. Chancellor Ponder stated that the Provost will address these issues systemically and that she will assure transparent fairness in managing teacher assignments and the curriculum. Provost Fernandes reported that the Committee on Tenure and Rewards System was addressing these questions. Chancellor Ponder concluded the meeting by stating that the budget is tough but manageable and we can do this.