

**East Carolina University
Implementation Guidelines for Budget Reduction
Divisions of Academic and Student Affairs and Health Sciences
January 23, 2009**

Effective immediately and until further notice, the Divisions of Academic and Student Affairs and Health Sciences are issuing the following budget reduction implementation guidelines in order to meet their divisions' share of the anticipated budget reductions/reversions. While these restrictions apply to all state appropriated funds, Chancellor Ballard indicated in his email to the Executive Council that, "we must be very careful to protect non-state resources such as foundation, facilities and administration, practice plan, auxiliary, etc., funds because they may be necessary to support expenditures over the next two years."

PERSONNEL EXPENDITURES:

1. Faculty

All vacant faculty positions, including new enrollment increase positions which were allocated in the current fiscal year, must remain vacant until June 30, 2009. Initial instructions with regard to the new enrollment increase positions indicated they must be held vacant until January 1, 2009. If any of the funds associated with these positions has already been committed for use during the current fiscal year, each of you still will be responsible for meeting the projected amount of lapsed salary dollars that would have been available had the position remained vacant for the entire fiscal year.

Positions for which written employment commitments had been made prior to the hiring freeze may be filled following the normal hiring process. **Each dean will need to provide the Provost or Vice Chancellor for Health Sciences with a specific list of all such commitments no later than Friday, January 30, 2009 and the supporting hiring packet documentation must be received in the respective personnel offices no later than February 16, 2009.**

Recruitment activities that are already underway and for which employment negotiations have already begun, but which have not yet been concluded [e.g., no written employment commitment has yet been made], also may be followed through to their conclusion, but must contain a caveat that a final employment commitment is dependent upon the availability of funds. **Again, each dean will need to provide the Provost or Vice Chancellor for Health Sciences with a separate list of all such commitments no later than Friday, January 30, 2009; and supporting hiring documentation must be received in the respective personnel offices no later than March 16, 2009.** These activities will need to be discussed with the Provost or Vice Chancellor for Health Sciences to ensure they are approved exceptions to the Budget Management Guidelines.

Each dean should also provide the Provost or Vice Chancellor for Health Sciences with a list of your current faculty searches no later than Friday, January 30, 2009. These should not be included in the two lists above but should be solely those searches which have not yet resulted in the identification of a candidate of choice. Each of these searches will need to be discussed with the Provost or Vice Chancellor for Health Sciences as possible exceptions to the Budget Management Guidelines.

Additionally, extension of contracts for all current full-time permanent faculty [both tenure-track and fixed-term] will be permitted under normal review and hiring processes. However, hiring of temporary part-time, fixed-term faculty must be minimized wherever possible and every effort made to maximize the teaching workload of all full-time permanent faculty.

All hiring for positions funded totally from non-state funds or which are totally self-supporting, such as face-to-face summer instruction, will be permitted using the normal hiring process.

2. EPA Non-Faculty and SPA

All other EPA and all SPA vacant positions paid fully, or partially, from state funds require prior approval by the appropriate Vice Chancellor before an offer may be extended. Any hiring that is approved is considered an exception to the current OSBM guidelines and is reportable as such. Therefore, it will be necessary to send all such requests to the appropriate Vice Chancellor and be substantiated with ample justification. Such approval cannot be delegated further.

3. Creation of a new positions

Units wishing to establish new positions that are funded fully or partially with state appropriations requires prior approval by the appropriate Vice Chancellor, and either must be a part of the Chancellor's 'must fund' list or on the priority funding list approved by the Executive Council. No other new positions funded by state appropriations may be created until further notice.

4. Other Personnel Costs

Salary reallocations to state appropriated funds are not permitted except in the case of a contract or grant that specifically requires retroactive cost sharing or matching.

Any new salary increases, including stipends, career progression/in-range salary adjustments, etc., are prohibited without the express written approval of the appropriate Vice Chancellor. Request for exceptions must clearly identify the essential nature of the

personnel (e.g., retention, promotion, transfer, probationary adjustment, position reclassification, equity adjustment, market adjustment, additional duties, increase in FTE or career banding adjustment.)

5. **Contracted Services Agreements**

Any new contracted services agreements require the prior approval of the appropriate Vice Chancellor.

6. **Staffing Contracts with Employment Agencies**

Units that have current staffing contracts with employment agencies and contractors (e.g., temporary staffing, IT contractors, etc.) will be permitted to continue such contracts; however, new contracts require the prior approval of the appropriate Vice Chancellor.

7. **SPA Temporary Appointments**

Current SPA temporary appointments, including students, may be continued. New temporary appointments for longer than 90 days require the prior approval of the appropriate Vice Chancellor or Dean. Temporary employees cannot be retained if comparable permanent SPA positions are being eliminated or reduced-in-force (RIF) as part of the unit's budget reduction plan.

8. **General Recruitment**

Generally, no **new** recruitment or selection may be initiated without **prior** approval of the appropriate Vice Chancellor. Vacant positions are expected to be kept vacant at least through June 30, 2009. Requests for exceptions must be substantiated with sufficient justification to warrant release of the position. [See #1 and #2 above for further clarification.

NON-PERSONNEL EXPENDITURES:

No purchase orders or vouchers may be issued for goods or services that will require the expenditure of general fund appropriations, including ProCard purchases, except as noted below. Any expenditure that does not meet these guidelines requires the approval of the appropriate Vice Chancellor or Dean.

1. Expenditures related to the purchase of supplies, equipment and materials required for classroom instruction are permitted.

2. Expenditures related to the health and safety of students, faculty, staff or visitors to the campus are permitted.
3. Purchases of computers for **new** faculty members are classified as permissible expenditures since they are necessary for class preparations, for responding to student emails and for performing other instructional-related activities. The University's computer "refresh" program which normally would replace computers on a three-year cycle has been delayed for the 2008-09 fiscal year and the program likely will move to a four-year cycle. Questions related to the "refresh" program should be referred to Dr. Jack Brinn, Chief Information Officer.
4. Commitments made to new incoming faculty for start-up packages (e.g., scientific equipment, laboratory renovations, and other related expenses) should be honored to the extent that resources permit. If a unit does not have sufficient funds to honor these prior commitments, the affected faculty member should be notified immediately and alternate plans should be worked out with the faculty member about the possibility of funding these commitments at a future date.
5. Postage, printing, copying, telecommunications and other costs required for normal business operations should be kept to a minimum.
6. Expenditures that provide matching funds to secure federal or other non-state funds will be permitted as long as the requesting unit has the necessary "matching" funds available and these funds have not been identified as a part of the unit's plan to meet required budget reductions.
7. Continuing payments on existing contractual obligations (maintenance agreements, service contracts, insurance premiums, software license fees and ongoing maintenance and repairs) are permitted. However, units should carefully evaluate the benefits of continuing such payments when existing contracts expire.
8. Expenditures related to commencement (program printing costs, postage, etc.) are allowable.
9. Payments for internal charges from campus service units that are related to prior contractual arrangements that cannot be terminated or are essential to day-to-day operations may be continued.

Travel Related Expenditures

All travel and training funded by appropriations are limited to instances involving public safety, public health, job requirements, economic development opportunities or emergency

situations. Specific guidance is offered below. Exceptions require the **prior** approval of the appropriate Vice Chancellor.

All non-essential travel, especially out-of state, should be eliminated. Requests for exceptions must be justified based on the essential nature of the travel (fundraising, admissions, athletic competitions, travel deemed essential to the instructional program such as the supervision of interns, etc.). Out-of-state travel by faculty should be limited to trips deemed essential by the appropriate dean and approved in writing by the appropriate Vice Chancellor. Essential travel for faculty is defined as: 1) presenting a research paper or other scholarly/creative work, 2) making an invited speech or presentation, OR 3) fulfilling duties as an **officer** in a national professional organization.

1. Travel directly related to the instructional program [e.g., delivery of continuing education courses, supervision of interns, etc.] is permitted.
2. In cases where the university has already expended significant funds for travel that are non-refundable, is permitted.
3. Travel directly associated with the recruitment of potential students is permitted.
4. Travel associated with meetings of the Board of Governors, the Board of Trustees and the legislature is permitted.
5. Travel directly associated with commencement is permitted.

CAPITAL EXPENDITURES:

Appropriated capital improvement funds designated for repair and renovation projects are on hold unless they are obligated by contract. Emergency repair needs should be reported to Facilities. Requests for exceptions for capital expenditure shall require the approval of the Vice Chancellor for Administration and Finance.