

East Carolina University 2009/10 Budget Management Guidelines

On June 3, 2009 the Office of State Budget and Management (OSBM) advised campuses that the emergency budget management restrictions contained in the April 9, 2009 memorandum no longer apply effective July 1, 2009.

The final 2009/10 state budget is currently being negotiated by the Conference Committee and we don't expect a final state budget until sometime after July 1. Until we have a more complete understanding of the 2009/10 budget we must manage our resources carefully and, therefore, we must implement budget guidelines for the beginning of the fiscal year. Once the state budget is approved we will consider what guidelines, if any, need to be implemented for the remainder of the fiscal year. We also expect OSBM to establish budget management guidelines for the new fiscal year.

We must continue to exercise prudent stewardship of all university resources because of the critical financial situation facing the state which is expected to last multiple years. The ECU Board of Trustees' Policy Framework for Resource Allocation continues to apply. The Business Groups which are reviewing areas for consolidation/centralization are continuing. Cost cutting initiatives identified by the University Budget Task Force are being addressed. Review and reduction of administrative stipends is also continuing.

The university's leadership has agreed to implement the following guidelines as we begin the 2009/10 fiscal year. **These guidelines are in effect July 1, 2009 and apply to transactions involving only state funds unless otherwise noted.**

1. The creation of all new positions, except those identified in the Chancellor's 2008/09 'must fund' priority listing, regardless of funding source must receive advance written approval by the appropriate vice chancellor. The chancellor expects a compelling institutional need for creating new positions and expects such exceptions to be kept to a minimum. (The 2009/10 "must fund" list has yet to be finalized by the Chancellor's Executive Council).
2. All vacant positions must remain vacant until further notice. Faculty positions directly related to classroom instruction may continue to be filled, as well as other key positions that may be identified by the chancellor or appropriate vice chancellor. All other requests are considered exceptions and must be justified and receive prior written approval by the appropriate vice chancellor. For searches in progress which have been approved by the appropriate vice chancellor completion of the search is permitted. Positions identified for elimination as part of the 2009/10 budget reduction plan, may not be filled under any circumstances. The hiring of undergraduate and graduate students is permitted.
3. All new salary increases including stipends, career progression/in-range salary adjustments, etc. are prohibited. Exceptions may be made for faculty retention where the University deems it appropriate for the retention of exceptional faculty who have received a written offer of employment by an entity other than ECU. Requests for exceptions must clearly identify the essential nature of the increase and must receive advance written approval by the appropriate vice chancellor. All expenditures for overtime, on-call pay, beeper pay, etc. must be strictly managed and expenditures reduced significantly (**Goal 80% reduction**). All current administrative stipends must be reviewed by each vice chancellor and the number and amount of the stipends reduced (**Goal 50% reduction**).

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4. All travel, especially out-of-state travel, must be minimized (**Goal 50% reduction**). Requests for travel must be justified based on the essential nature of the travel (fundraising, admissions, athletic competition, athletic recruitment, governmental relations, research activity, student activity, etc.) and must receive advance written approval by the appropriate vice chancellor. Out-of-state travel by faculty must be limited to trips deemed essential by the appropriate dean and approved in writing by the appropriate vice chancellor.
5. The purchase of **essential** materials, supplies, services, furniture, equipment, etc. is permitted. In particular, purchases for law enforcement, health care, public safety, classroom instruction and the maintenance and repair of campus operations are considered high priority items. Ongoing commitments for items such as subscriptions, maintenance agreements, leases, etc. may be continued. Exceptions must clearly identify the essential nature of the purchase and must be approved in writing by the appropriate vice chancellor.
 - a. Printing of publications, newsletters, invitations, brochures, etc. must managed strictly and expenditures reduced significantly **regardless of the funding source (Goal 75% reduction)**.
 - b. Expenditures for the use of priority mailing services such as Fed Ex, UPS, etc. must be managed strictly and expenditures reduced significantly **regardless of the funding source (Goal 75% reduction)**.
6. Institutional funds (including foundation and auxiliary funds) used for meals and entertainment must be managed strictly. Expenditures for meals and entertainment must be clearly related to an external client or opportunity. Meals with other university employees must be paid from personal funds.
7. Appropriate energy conservation efforts must be increased to reduce utility costs. Building temperature guidelines will be reviewed and strictly enforced. Other information regarding the university's energy conservation efforts can be found at http://www.ecu.edu/facility_serv/energy/energypage.html

The provisions are effective July 1, 2009 and will remain in effect until modified by the chancellor. We anticipate the next revision will occur when the state budget is finalized and we have a more complete understanding of the 2009/10 financial situation for the University. While these requirements are expected to result in some disruption of normal operations, these actions are necessary to deal with the financial situation. Requests for exceptions to these requirements must be addressed to the appropriate vice chancellor. General questions regarding these guidelines should be addressed to Anne Jenkins at 737-1133 or Jenkinsa@ecu.edu.