

As most of you are aware, WCU has been in the process of taking very difficult and painful actions to address core budget issues necessitated by the condition of the state's budget. I wanted to follow up with you since 10 of our employees have been given formal final notices of their reduction-in-force status. The notification process actually has progressed over the past two weeks and ended with the last of the formal written notices being issued Tuesday. Most affected employees had been informally notified orally prior to the receipt of the RIF letters. Understandably, these actions have resulted in a great deal of stress and concern, both on the campus and in the local community. It is important to review the current budget situation in more detail and reflect on where we are in our planning activities.

Budget reduction discussions have been almost continuous since November 2010 and we've tried to keep the campus informed with regular budget updates as well as a town hall meeting. In January, I held a meeting with the Executive Council and charged them to develop budget reduction scenarios that would represent levels between 10 and 15 percent. I set out guidelines to define long-term goals that would eventually make the University more efficient. To do this, senior leadership would need to look at individual divisions in detail and at all levels.

So where are we now? The majority of the positions eliminated come as the result of reorganizations across the institution. These reorganizations are aimed at reducing current levels of management and supervisory positions and result in more efficient and productive work units. The University of North Carolina's 2011-2013 Legislative Policy Agenda clearly states as its goals to create additional efficiencies, streamline processes, leverage economies of scale, and improve our outreach and services. I believe this round of budget reductions steadfastly aligns with these goals.

For example, in the Chancellor's Division we have eliminated two support positions – one in the Office of Law, Equity and Auditing, with staff from the Chancellor's Office assuming additional responsibilities, as well as one in the Department of Athletics. In the Administration and Finance Division, we decided to eliminate the cashier's unit and realign some of those duties to other staff in the Controller's Office. With the current trend of automating business practices and the close proximity of the University's bank on our campus, we can eliminate duplicative processes and allow certain deposit activities to occur directly with the bank without having to go through an additional University office. In the Facilities Management Department, we had two small units in which a supervisor was supervising only two or three employees. The decision was made to eliminate the supervisory positions and blend the units and employees into larger functional areas.

Specific to the Academic Affairs Division, I asked the Provost to work with her leadership to determine reductions that would minimize the impact to our academic core, which as a group we defined as those basic programs we need to offer as a fully accredited regional university focused on UNC Tomorrow and those enabling activities that allow for the effective and efficient delivery of those programs. Within Academic Affairs, several organizational plans are in progress and will continue over the next several years. These activities are in part response to the Governor's and President's charge to all state government agencies and universities to look at duplication of services and overlapping operational units and departments. The Provost and Deans are earnestly working through complete program reviews and prioritization analyses.

The first reorganization resulting in the elimination of positions is in our Enrollment Management area in which several units are moving to Undergraduate Studies in order to realign those functions more closely with QEP initiatives and goals. This change caused the elimination of one management position and several professional level and support positions. I anticipate other changes similar to this to occur over the next few years as we conclude these reviews.

In addition to the actions that affected our employees this week, other decisions are being made to abolish currently vacant positions as well as anticipated vacant positions as individuals retire and as fixed-term faculty contracts expire.

I do not want to minimize the difficult decisions that were made, the impact on the individuals involved, and the impact on the campus community. These are never easy decisions, and they are not made without careful and lengthy analysis of the unit involved. We must now move forward and continue our long-term strategic planning because the budget situation is still fluid and the final outcomes still unknown. Thank you for your patience and understanding during this difficult time for our campus and our employees. I will continue to provide updates as the situation changes.

John