

Staff Senate Routing Form
(action/proposal attached)

I. Item Title: Joint Resolution Endorsing Guiding Principles for University Budget Decision Making

a) Brief Description: Joint Resolution Endorsing Guiding Principles for University Budget Decision Making

b) Initiated by: Ben Pendry

II. Staff Senate Action: approved not approved other date: 11/19/2020

Comments: _____

Vote: Voice Vote, Unanimous Voice Vote, Majority In Favor
 Electronic Vote: Yes 0 Nays 0 Abstentions

SS Secretary signature: Catherine Butcher date: 11/20/2020

III. Provost: for information Recognition of Receipt
 for action..... approved not approved

Comments: _____

Person responsible for Implementation: _____

Provost signature: [Signature] date 23 Nov 20

IV. Chancellor: for information Recognition of Receipt
 for action..... approved not approved

Comments: _____

Chancellor signature Kelli R. Brown date 11/23/2020

Once finalized copies will be returned to the Provost Office's representative who will scan and distribute electronically to:

- Chancellor
- Provost
- Chief of Staff
- Others Responsible for Implementation

Faculty Senate Routing Form
(action/proposal attached)

I. Item Title: Joint Resolution Endorsing Guiding Principles for University Budget Decision Making

a) Brief Description: Joint Resolution Endorsing Guiding Principles for University Budget Decision Making
b) Initiated by: Kadence Otto

II. Faculty Senate Action: approved not approved other date: 11/18/2020

Comments: _____

Vote: Voice Vote, Unanimous Voice Vote, Majority In Favor
 Electronic Vote: 29 Ayes 0 Nays 0 Abstentions

FS Secretary signature: Jessica J. Allen date: 11/19/2020

III. Provost: for information Recognition of Receipt
 for action..... approved not approved

Comments: _____

Person responsible for Implementation: _____

Provost signature: [Signature] date 2/3/2020

IV. Chancellor: for information Recognition of Receipt
 for action..... approved not approved

Comments: _____

Chancellor signature Keele R. Brown date 11/23/2020

Once finalized copies will be returned to the Provost Office's representative who will scan and distribute electronically to:

- Chancellor
- Provost
- Chair of Faculty Senate
- Secretary of the Faculty Senate
- Associate Vice Chancellor for Academic Affairs (for catalog and handbook)

Associate Dean of Graduate School (for catalog)
Others (i.e. person responsible for implementation)

Joint Resolution Endorsing Guiding Principles for University Budget Decision Making

WHEREAS, Western Carolina University has asked all Divisions to engage in a 10% Budget Cut Exercise;

WHEREAS, the Western Carolina University Faculty and Staff Senates exist to fulfill responsibilities of shared-governance, mutual collaboration, and open lines of dialogue between WCU Faculty, Staff, and administration; and,

WHEREAS, it is unknown if WCU will be asked by the UNC System Board of Governors or the NC General Assembly to make cuts to previously allocated state budgets or whether future state budget allocations will be reduced.

THEREFORE, BE IT RESOLVED, that the "Guiding Principles for University Budget Decision Making Recommendations from the WCU Faculty & Staff Senates" (*see* Appendix) guide the decisions of University Leadership in the event that WCU has to incur budget cuts in order to minimize loss of faculty and staff positions.

Appendix - Guiding Principles for University Budget Decision Making Recommendations from WCU Faculty & Staff Senates

1. Protect faculty by prioritizing instructional quality and capacity.
2. Protect staff by prioritizing existing institutional quality and capacity.
3. Stay true to our core mission. Target reductions to specific non-core programs, offices, and services as opposed to enacting across-the-board cuts.
4. Target reductions to processes and expenditures that no longer make sense.
5. Seek input for creative cost-saving measures from WCU faculty, staff, and students.
6. Document and maintain records of the negative consequences of reductions in areas such as teaching capacity, critical infrastructure, engagement activities, and scholarly output.
7. That budgetary decisions will be made openly and with consultation of the faculty and staff leadership, and that those departments or offices that are negatively impacted by significant reductions will be allowed the chance to be heard before final decisions are made.
8. Strive for temporary reductions/furloughs for positions paid >\$50,000 over reductions-in-force.
9. We endorse, with appropriate consideration of operational, statutory, and legal requirements, the September 22, 2020 Letter from UNC Faculty Assembly, UNC Staff Assembly, and Association of Student Governments to UNC President Peter Hans' letter "Recommendations on Budget Deliberations" (below).



To: Peter Hans, President, UNC System
Randall C. Ramsey, Chair, UNC System Board of Governors

From: Timothy J. Ives, Chair, UNC System Faculty Assembly
Garrett Killian, Chair, UNC System Staff Assembly
Isaiah M. Green, President, Association of Student Governments

Re: Recommendations on Budget Deliberations

Date: September 22, 2020

The University of North Carolina has a tremendous impact as a primary economic driver for the people of our state. We are aware of the negative impacts of the COVID-19 pandemic on the vitality of our constituent institutions. Therefore, it would be prudent to address financial challenges through a process that is strategic, deliberate, consultative and transparent. Students, staff, and faculty across the UNC System stand ready to be essential partners in efforts to cope effectively with all budget shortfalls.

By directly acknowledging the value of the human capital of the System, any budget adjustments should be strategic instead of across-the-board elimination of programs and personnel. Any such adjustments should also recognize the potential uneven impacts upon students, staff, and faculty across the System, particularly those who are underserved and who strive to promote the diversity of the System. Many, if not all, campuses have not fully recovered from the 2008 recession, with little flex currently available in their budgets. This is especially true for the smaller campuses that may not have as much non-state funding.

Further, there is a need to retain our valued staff and faculty, especially as the UNC System is considered a target for other major universities across the country, especially public universities. At the very least, all financial decisions should be prioritized to protect the core academic mission of each individual campus, and their corresponding student success. In that spirit, and as requested, the following serve as our initial recommendations.

- On every campus, any committee or task force directed to set priorities or manage a budget reduction process should be represented from the outset by the Faculty Chair or their designee, the Staff Chair or their designee, and the Student Body President or their designee. As of September 10, 58% of campuses have committed to having senate chairs on such a committee but assuring that all three groups will be represented across the System is work that still needs to be done.
- Any reduction or potential reduction of student programs and funding to student programs should be discussed with the larger student body through multiple methods, whether that be through the campus Student Government Association or otherwise, similar to how the tuition and fee processes operate on the majority of our campuses.
- Any campus budget reductions should take into consideration their specific Strategic Plan along with the UNC System Strategic Plan, to ensure that each campus can maintain growth and excellence.

- To minimize or significantly reduce furloughs, especially for those who will be disproportionately affected with prolonged furloughs (e.g., 3 months or longer), the use of unpaid days of service (e.g., one to two days per month) may need to be considered for all, similar to what was implemented during the recession period of 2008 to 2010.
- Consider use of untouched sources of potential and temporary sources of funding. As one example, the UNC Investment Fund, touts over \$6.5 billion in assets as of 3.31.2020. Part of the Fund's primary objective is Support the current and future needs of the Fund's Member institutions. These times most certainly meet that objective. Without touching the endowment principal, and with an annual return on investment of approximately 5%, short-term use of the accrued interest for a two-year period, as an example, would yield \$650 million that could be apportioned as three-year loans for the campuses.
- If budget shortfalls mandate it, then a System-wide pro-rated plan for salary adjustments, including campus administration, should be considered for a specific time period (e.g., six to twelve months) in order to avoid any terminations, as we are all in this together. This would not apply to any faculty or staff who make less than \$50,000 annually.
- Ensure maintenance of adequate health care coverage, including mental health services, for all System employees during this transitional period.
- Encourage the General Assembly to offer retirement and early retirement packages to staff.
- Similarly, ask the Board of Governors to consider offering phased retirement packages to eligible faculty.
- To avoid filling some positions immediately, consider reassigning staff. For example, if an athletics department doesn't have any fall sports, then some staff could be reassigned temporarily to areas where there may be a need, and where they can be easily trained.
- Maintain all student aid at current levels, whether it is for scholarships, grants, graduate teaching assistants, etc.
- Place a two-year moratorium or strong limitation on new building construction, repair, and renovation expenditures in favor of coverage of salaries and benefits for those staff and faculty who will be the most severely impacted by reduced campus enrollments or early closings.

These are a few of our initial recommendations. We are committed to protect the teaching, research and public service mission of the UNC System. We stand ready to be actively involved with the budget review process on every campus, all in our ongoing work to support the UNC System, and most importantly, to ensure student success.