



The University of North Carolina

GENERAL ADMINISTRATION

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Constituent Universities
Appalachian State
University

East Carolina
University

Elizabeth City
State University

Fayetteville State
University

North Carolina
Agricultural and
Technical State
University

North Carolina
Central University

North Carolina
State University
at Raleigh

University of
North Carolina
at Asheville

University of
North Carolina
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University of
North Carolina
at Charlotte

University of
North Carolina
at Greensboro

University of
North Carolina
at Pembroke

University of
North Carolina
at Wilmington

University of
North Carolina
School of the Arts

Western Carolina
University

Winston-Salem
State University

Constituent High School
North Carolina
School of Science
and Mathematics

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April 2, 2014

MEMORANDUM

TO: Chief Finance Officers

FROM: Charles Perusse *Charles E. Perusse*

SUBJECT: Spending Guidelines for the Remainder of FY 2013-14

On March 27, 2014, Governor McCrory issued a memorandum (see attached) to all State agencies directing them to implement a variety of budget management strategies for the remainder of FY 2013-14 because of Medicaid over-expenditures and revenue uncertainty. Andrea Poole in UNC General Administration's Finance Division shared earlier today the April allotment reduction approved by the Office of State Budget and Management (see attached spreadsheet). In cooperation with this directive, campuses should ensure the following measures are implemented:

- **Salary Adjustments:** Unless they are already being processed, no General Fund appropriation-supported base salary increases may be granted except for promotions, retention, or an increase in job duties.
- **Travel:** All General Fund appropriation-supported travel should be limited to instances involving employees' routine, required job duties. Alternative forms of communication should be attempted in lieu of normal business travel where possible. All travel that has been authorized to date that is not part of an employee's routine, required job duties should be re-evaluated. Travel authorizations for which non-refundable costs have already been incurred may be honored. A limited number of staff may be approved to attend conferences and training sessions that have been contracted or otherwise obligated (i.e., a signed agreement with a hotel or similar vendor). Any additional meetings or conferences should be deferred until next fiscal year if the registration fees and associated travel would be supported by General Fund appropriations.
- **Purchasing:** The purchase of supplies and materials supported by General Fund appropriations should be closely monitored and limited to those that are essential to support the mission of the institution. The purchase of supplies and equipment for classroom instruction (including labs) and key technology initiatives may continue.

Unless otherwise notified, these measures will remain in effect through June 30, 2014. The Governor is allowing agencies and institutions to use professional judgment in implementing these restrictions. We appreciate everyone's cooperation with implementing these measures and the conscientious use of General Fund appropriation-supported resources.

Cc: President Tom Ross
Chancellors
Chief Academic Officers
Chief Human Resource Officers