

NC STATE UNIVERSITY

An Equal Opportunity/Affirmative Action Employer

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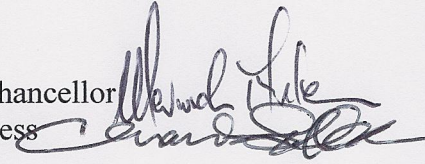
April 21, 2010

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MEMORANDUM

TO: Vice Chancellors and Deans

FROM: Warwick A. Arden, Interim Provost and Executive Vice Chancellor
Charles D. Leffler, Vice Chancellor for Finance and Business



SUBJECT: Governor's 2010-11 Budget Adjustment Recommendations

Governor Perdue has released her recommendations to the General Assembly to adjust the 2009-11 Appropriation passed during the 2009 legislative session. The full content of her recommendation may be found here -

http://www.osbm.state.nc.us/files/pdf_files/2010_budget.pdf

President Bowles has issued a statement regarding the Governor's recommended adjustments that has been posted to Budget Central - http://www.fis.ncsu.edu/rm/budget_central/

The major impact to NC State University of the Governor's recommended adjustments include:

1. Full funding for the Career and College Promise UNC need-based financial aid request.
2. Additional state funds to replace the tuition receipts in the Appropriation Bill which will permit the UNC campuses to implement campus initiated tuition increases as approved by the Board of Governors.
3. Full funding of enrollment growth based on the revised projections submitted by the campuses following analysis of Fall 2010 enrollment data.
4. Partial funding of the maintenance and operating costs for new facilities that was excluded from the 2009-11 Appropriation Bill.
5. Require a 3.9% management flexibility budget reduction (recurring) to the UNC campuses, which is in addition to reductions included in the 2009-11 Appropriation Bill that totaled approximately 2.4% for the second year of the biennium.
6. A one-time 0.5% salary bonus to be paid to employees for the salary reduction taken in 2008-09.
7. Additional bonus leave for employees of 32 hours with 8 of the hours required to be used on December 23, 2010.

It is important to keep in mind that these are only the Governor's recommendations for adjustment to the currently approved 2010-11 fiscal year budget and have to be considered by the General Assembly during their coming "short session." As this discussion unfolds over the next several weeks we will be reviewing the possible impact on NC State, considering the budget actions already taken prior to the beginning of the current fiscal year, with Chancellor Woodson and campus leadership.

cc: W. Randolph Woodson, Chancellor
Steve Keto, Associate Vice Chancellor for Finance and Resource Management
University Budget Advisory Committee